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GENERAL

UN COMMITTEE ADOPTS PRC DISARMAMENT RESOLUTION

OW121204 Beijing XINHUA in English 1154 GMT 12 Nov 86

[Text] United Nations, November 11 (XINHUA) -- The First Committee of the General Assembly adopted unanimously this afternoon a draft resolution submitted by China, calling on the United States and the Soviet Union to take the lead in nuclear disarmament.

The draft, first ever by the Chinese delegation on disarmament issues, urges the two superpowers, which posses the most important nuclear arsenals, "to discharge their special responsibility for nuclear disarmament, to take the lead in halting the nuclear-arms race and to negotiate in earnest with a view to reaching early agreements on the drastic reduction of their nuclear weapons."

The draft, which became a formal resolution of the committee after the adoption, reiterates that bilateral and multilateral efforts for nuclear disarmament should complement and facilitate each other.

Before the committee took the decision at the afternoon session, China's Ambassador for Disarmament Affairs Fang Gouxiang stated that China, in submitting the draft resolution, is solely aimed at facilitating the negotiations between the two major nuclear powers for an early agreement on the drastic reduction of their nuclear arsenals.

He said that when the two superpowers have drastically reduced their nuclear weapons, other nuclear-weapon states should participate in the process, thus creating conditions for the eventual complete elimination of all nuclear weapons on earth.

He reiterated that China, as a nuclear power, will not shirk its responsibilities in this regard, and that it will, as it has always stated, make its own contributions in opposing the nuclear arms race and for the final complete destruction of all nuclear armaments.

The resolution, along with other disarmament-related resolutions adopted by the committee, will be submitted to the plenary session of the U.N. General Assembly for approval as a document of the assembly.

UN DELEGATES ON RIGHT TO DEVELOPMENT

OW071300 Beijing XINHUA in English 0859 GMT 7 Nov 86

[Text] United Nations, November 6 (XINHUA) -- China said today that the proclamation of the right to development indicates numerous Third World countries want "to promote social and cultural advancement and improve people's living standard."

Speaking at the Third Committee of the U.N. General Assembly, Chinese Representative Zhang Zifan said, "the Chinese Government has always endeavoured to promote the respect for the human rights and fundamental freedom of mankind."

The committee is now in session drafting the "Declaration on the Right to Development."

He told the Committee that "the sluggish development of production, harsh terms of foreign trade and heavy debt burden" constitute serious obstacles to the development of the majority of the Third World countries.

Zhang pointed out that the lasting prosperity expected by some cannot be based on the perennial underdevelopment and poverty of the majority of countries. "The right to development is not only indispensable to the developing countries, but also of important significance to the developed countries," he added.

He said that "the right to development is a new development of the concept of human rights" and "an undeniable human right" that has the U.N. charter as its "sound legal basis."

The concept of the right to development was first formally presented in a resolution adopted at the 33rd session of the United Nations Commission on Human Rights in 1977.

"The realization of the right to national and individual development is the demand of our times and the inevitable result of human economic and social development," he pointed out.

He considered it meaningless without the active participation and enjoyment of benefits by the people.

He stressed that China does not agree with those who hold the right belongs solely to individuals and not to countries and nations. "The development of individuals and that of countries and nations are inseparable," he said.

"Development manifests itself not only in the prosperity of country's economy, the advancement of its society and culture and the improvement of its people's life, but also in national independence, the ability to resist foreign aggression, control and interference and the realization of domestic political democracy as well as the respect for the human rights and fundamental freedom of mankind," Zhang said.

Since 1977, the General Assembly and the Economic and Social Council (ECOSOC) have adopted numerous resolutions demanding for the study and consideration of the issue of the right to development with expedition.

At the 40th session of the General Assembly last year, Yugoslavia put forward a draft of the declaration on the right to development. However, no consensus was reached on it.

At today's meeting, Zhang made it clear that China views the Yugoslavian draft, although not perfect, as having given "full emphasis to the right to national self-determination and the exericse of full, inalienable sovereignty over all natural resources and wealth."

He appealed to the member states "to display the spirit of cooperation and make positive contribution to the early adoption of the Declaration on the Right to Development."

ZHAO ZIYANG MEETS PAKISTAN, SWISS ENVOYS

OW080151 Beijing XINHUA in English 1435 GMT 7 Nov 86

[Text] Beijing, November 7 (XINHUA) -- Premier Zhao Ziyang met the out-going Pakistani Ambassador to China Dr. Maqbool Ahmad Bhatty and new Swiss Ambassador to China Fritz Bohnert on different occasions here this afternoon at the Great Hall of the People.

FOREIGN MINISTRY HOLDS WEEKLY NEWS BRIEFING

Liberian Minister To Visit

OW121240 Beijing XINHUA in English 1233 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Liberian Foreign Minister Bernard Blamo will pay a visit to China from November 18 to 25 at the invitation of Chinese State Councillor and Foreign Minister Wu Xueqian. This was announced by a Chinese Foreign Ministry spokesman at a weekly news briefing here today.

Delegation To Visit Africa

OW121230 Beijing XINHUA in English 1225 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- A Chinese government delegation led by State Councillor Zhang Jingfu will pay a goodwill visit to Zaire, Central Africa and Cameroon from November 22 to December 4 at the invitation of their governments, a Foreign Ministry spokesman announced here this afternoon.

During the visit, the spokesman said, Zhang will attend a celebration marking the 21st anniversary of the Second Republic of Zaire and a cornerstone-laying ceremony for Kamanyola Stadium of Zaire. Zhang will also be present at the inauguration ceremony for Lagdo hydro-electric power station in Cameroon, he added.

Thai Minister To Visit

OW121242 Beijing XINHUA in English 1234 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Thai Foreign Minister Sitthi Sawetsila will pay a goodwill visit to China from November 20 to 25 at the invitation of Chinese State Councillor and Foreign Minister Wu Xueqian. This was announced by a Chinese Foreign Ministry spokesman at a weekly news briefing here today.

Poland's Gorywoda To Visit

OW121238 Beijing XINHUA in English 1232 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Manfred Gorywoda, vice-chairman of the Council of Ministers and chairman of the State Planning Commission of Poland, will pay a visit to China from Novemer 20 to 29 at the invitation of State Councillor and Minister in Charge of the State Planning Commission Song Ping.

This was announced by a Chinese Foreign Ministry spokesman at a weekly news briefing here today.

Gorywoda and Song will exchange views on such questions as the economic situation of the two countries, planning and management, economic and technological cooperation and the renovation and updating of outmoded enterprises. They will also discuss possibilities of further cooperation between the two countries.

U.S. ELECTIONS PROVIDE 'CLEAR WARNING'

HK111519 Beijing RENMIN RIBAO in Chinese 10 Nov 86 p 6

["Jottings" by Xiao Chen (0879 2525): "The Situation Is Pressing"]

[Text] The results of the U.S. midterm elections are out: The Democratic Party gained the Senate majority with 55 seats while the ruling party lost 8 seats. This was rather unexpected.

Actually, President Reagan had pinned great hopes on this midterm election and strove to maintain Republican control of the Senate through this election. He set out early on the campaign trail and personally visited 13 states to campaign for Republican senators.

However, the results went against one's expectations because the situation is beyond people's control. It seems that the problem lies not with personality, but because the Reagan administration faces challenges both at home and abroad. Until now, the government has yet to effectively reduce the huge budget deficits and enormous trade imbalance, while the economic growth rate has slowed down since this summer. The situation is not as good as the government pictures it to be. Moreover, of the 34 Senate seats up for election, 21 of them are in economically depressed states, thus, the sentiments of the constituents may well be deduced. On foreign affairs, the recent development of events also damages Reagan's image as a "president of peace". The failure to reach an agreement during the U.S.-USSR summit in Iceland, U.S. policy towards Nicaragua and its opposition against sanctions against South Africa -- these have also met with increasingly strong objections within the country. Therefore, despite Reagan's personal popularity, the situation cannot help him and he too is rendered helpless.

This midterm election more or less provides the present government with a clear warning: No person, whoever he may be, can afford to ignore the wishes of the public. If the parties concerned would gain some wisdom from this election, then that would be a sensible attitude.

RENMIN RIBAO ON U.S. MIDTERM ELECTIONS

HK080808 Beijing RENMIN RIBAO in Chinese 7 Nov 86 p 6

[Article by correspondent Zhang Yunwen (1728 0336 2429): "Changes in the Senate and the U.S. Political Outlook"]

[Text] Washington, 6 Dec -- The Democratic Party made a net gain of eight seats in the U.S. midterm elections on 4 November, thereby regaining control of the Senate for the first time in 6 years. This was the focus of public opinion, because the tussle between the two parties during this mid-term election, which involved the two houses of Congress and a number of state governorships, was centered on the Senate.

The Republican-controlled Senate has played a major cooperative role in Reagan's chief policy initiatives during his 6 years in the White House, such as cutting taxes, reforming the tax system, and increasing military spending. Whether or not the Republican Party could continue to control the Senate was the key to whether Reagan would be able to achieve his goals during the last 2 years of his 2d term and complete the unfinished business of his "Second American Revolution."

Analyzing the reasons for the Republican failure, people have noted the party's campaign strategy errors in being unable to put forward national policy issues and being limited to the "political achievements" of Reagan himself, pinning all its hopes on Reagan's reputation and so on. Some people have also noted the different "social climates" and "party and sect traditions" of different states. However, according to sample investigations carried out among voters after the poll by public opinion surveyors, it was evident that the reasons for the Republican failure lay at a deeper level.

The surveys showed that economic problems were the key issues affecting the voters' choice in the 34 states holding Senate elections on this occasion. The electorate has lost confidence in the Reagan Administration's promises on the economy and in the state of the economy. The economic facts such as the record-breaking bankruptcies of farmers in the South and Midwest, the loss of half the jobs in the iron and steel industry, and economic depression in the western energy-producing states caused the voters' dissatisfaction with the ruling party.

Another factor for the Republican Party's failure was that large numbers of voters aged under 30 who supported the party in 1984 switched their vote to the Democrats, while the turnout of voters over 60 who have always supported the Democrats was double that of 1984. These two groups of voters became the foundation for the "comeback" of the Democratic Party.

Now that the Democratic Party has again become the majority in the Senate, the chairmanships of a number of very powerful Senate committees will be taken over by Democratic Senators. The fact that Reagan is faced with a Congress controlled by the opposition party during his last two years of office will have a major impact on American politics during this period. Analysists have noted that in pushing through his "agenda" during the first two years of his 2d term, Reagan has encountered growing opposition from Capital Hill. There will be even more frequent conflicts between Congress and the White House during the next 2 years.

When the President presents his 1988 budget to Congress in January 1987, the problem of the budget deficit, which has "tormented Congress for 6 years." will spark off a new argument.

According to reports, the drafters of the new budget have already stated that if there is a further rise in military spending without a tax hike, next year's budget will agan be "a deceitful trick." The budget for fiscal 1987 approved by the 99th Congress estimated a deficit of $154 million, but a reliable, conservative estimate is a deficit of $174 billion. Since a reduced deficit is achieved by selling off government property, overestimating next year's economic growth, and under-estimating the deficit, the process is termed a "deceitful trick."

In the foreign policy field, the differences have by no means disappeared even though, out of political considerations, the Democratic Party made termporary concessions on the eve of the Iceland meeting regarding "Star Wars," "banning nuclear tests," and "observing nuclear treaties." White House officials predict that the Democrat-controlled Congress will again challenge the White House on questions such as arms control, South Africa, and Central America. The Reagan administration is worried that support for the Nicaragan contras will encounter obstacles, and that allocations for military spending and "Star Wars" will be cut further. The use of the presidential veto is a simple method, but this will turn the administration into a "lame duck" that cannot get anything done. Moreover, while under Republican control, the Senate avoided a trade protectionist bill. [paragraph continues]

The Democratic Party will again raise this policy, which it has repeatedly tried to push in the past. The actions of conservative judges appointed at all levels by President Reagan will also encounter still greater resistance.

House Speaker O'Neill, who is about to retire, says that the results of the midterm elections show that if there ever was a "Reagan Revolution," it is now over. On this point, President Reagan has said that he will carry through to the end this "revolution" consisting of opposing "big government," opposing tax hikes, and increasing military strength.

Next January, however, when the 100th Congress starts its work, it appears that it will be very difficult for the President to make the Democrat-controlled Congress accept his agenda.

XINHUA ON OUTCOME OF U.S. MIDTERM ELECTIONS

OW060138 Beijing XINHUA in English 0129 GMT 6 Nov 86

["News Analysis: On Outcomne of U.S. Midterm Elections (By Li Yanning)" -- XINHUA headline]

[Text] Washington, November 5 (XINHUA) -- The Democratic Party was the victor in Tuesday's midterm elections of the 100th U.S. Congress when it retook the Senate and consolidated its majority in the House of Representatives.

Senate control gives the Democrats the right to appoint committee chairmen and set the legislative agenda. President Ronald Reagan, in the White House for two more years, will now have to work with a Democratic-dominated and perhaps hostile Congress, inspite of his unprecedented personal campaign to preserve the Republicans six-year reign in the Senate.

Reagan had set out on what he called his last campaign from coast to coast. Since May this year, he travelled a total of 24,800 miles in 22 states, 14 of them in the past two weeks, putting his personal stature on the line at every stop. "If you would like to vote for me one last time," he urged, vote Republican.

Reagan will now have to use the presidential veto more frequently or make concessions to the Democrats. But, some U.S. newspapers have noted that it is not hard to find a precedent in the past 30 years for rather harmonious cooperation between a president and an opposition-dominated Congress. Thus, it is too early to predict whether Reagan will be a "lame duck" president in his last two years in office. However, U.S. media have already anticipated stronger protectionism on Capitol Hill and more frequent battles for the President on his administration's policy on South Africa and Central America.

The final outcome of the elections shows the Democrats have won 55 seats in the 100-seat Senate with Republicans at 45 seats. The Republicans held a 53-47 majority in 1984.

In elections for the 435-seat House of Representatives the Democrats improved their 253-182 majority by winning five or six more seats. The Republicans, however, increased state governorships from 16 to 24.

The elections were characterized by the absence of significant national issues. The Democrats avoided challenging Republican policies on major national and international issues focusing instead on local problems and on candidates' personal appeal. Their campaign strategy was based on the belief that Democrats had a better image in the districts than Republicans and there was less risk involved in promoting this advantage.

For the Republicans' part, the Senate race held the nation's attention from the White House to small towns. In all, 34 of the 100 Senate seats were being renewed for six-year terms with Republicans defending 22 and Democrats only 12. In order to preserve the fragile Senate majority, Republicans poured President Reagan's personal prestige into the campaign. Some Republican candidates won Senate seats as a result, but not enough to maintain Senate control.

Only 38.5 percent of eligible voters cast their ballots; a little higher than the 37.5 percent in 1978 which was the lowest in 40 years. The poor figure indicates the elections were not very important to most Americans who seem more concerned about local issues like clean water in Colorado and dumping of nuclear waste in Washington.

The swing to a Democratic Senate will no doubt bring about some changes in the political life of Americans in the next two years. Clearly the Democrats still have a strong influence on U.S. political life, most notably on local affairs. It seems now that the Republicans' prediction of a "political realignment" in their favour following Reagan's landslide victories in the general elections of 1980 and 1984 was at least overstated.

The results of this election, however, do not forecast the outcome of the presidential election in 1988.

XINHUA ANALYSIS VIEWS CHANGES IN U.S. SENATE

OW071304 Beijing XINHUA in English 1316 GMT 7 Nov 86

["News Analysis: What Impact Will a Democratic-Controlled Senate Have on White House? (By Bao Guangren)" -- XINHUA headline]

[Text] Washington, November 6 (XINHUA) -- Democrats have a 55-45 majority in the U.S. Senate after Tuesday's election, bringing to an end the Republican party's six years of controlling the Senate. Both chambers of the 100th U.S. Congress are now in the hands of the Democrats.

The immediate impact will be a change in committee chairmanships. Traditionally, the majority party in the Senate appoints all committee chairmen and sets the Senate's legislative agenda.

On the major Senate committees, Claiborne Pell is likely to replace Richard Lugar as chairman of the Foreign Relations Committee; Sam Nunn will take over from Barry Goldwater as Armed Services Committee chairman; Patrick Leahy will replace Jesse Helms as chairman of the Agriculture Committee; John Stennis will replace Mark Hatfield as Appropriations Committee chairman; Joseph Biden to replace Strom Thurmond as Judiciary Committee chairman; Ted Kennedy will take over from Orrin Hatch as Labor Chairman; and Lloyd Bentsen will take over from Bob Packwood at Finance.

Controlling the committee chairmanships and the majority leadership will give the Democrats the power to schedule particular bills and scuttle others.

In foreign affairs, Claiborne Pell is a strong critic of administration policy. President Ronald Reagan is expected to meet tougher opposition to his Central American policies and will likely need to step up efforts to win Senate approval for further aid to the anti-government rebels in Nicaragua and be confronted by harsher criticism on South Africa.

Senator Robert Byrd, who claimed he has enough votes to win as majority leader, said Senate Democrats would act as a "balance wheel" on foreign policy, a counter-weight to the "Reagan doctrine" of active intervention against what he called "leftist regimes." "The American people don't want to see the military option used first," he said.

In armed services, Sam Nunn, a conservative, is respected for his military expertise. he won't be a reliable ally for Reagan. The Senate will look more closely at future budget requests from Reagan for the Strategic Defense Initiative (SDI), known as the "Star Wars" program.

Reagan's judicial appointments could also be blocked by a majority leader who refuses to schedule them for floor action. Usually Reagan will choose Republicans for judicial appointments. But now when selections reach the floor of the Senate the Democrats will be in a better position to filibuster them to death.

The Senate could pass tougher limits on foreign imports and pass a bill putting pressure on the country's trading partners to accept more American exports. However, Reagan has denounced most trade proposals as "protectionist" and vowed to veto them.

On economic issues, the new Senate will face a difficult situation: Many Democrats advocated more spending on such domestic needs as agriculture and education, while also opposing any new tax increases to help close the budget deficit.

Problems have been piling up, such as how to cut the annual deficit to 108 billion dollars from the currently projected 170 billion dollars without raising taxes. The farm crisis must be solved, but the 26.5-billion-dollar program to help farmers will be a heavy burden. Democrats are also wondering how to help the nation's 33.1 million living below the poverty line. It is easy to promise expensive programs to solve the country's problems, but the difficulties come when it is time to cut up the revenue pie.

In his first speech after the election on Wednesday, President Reagan pledged to complete his "revolution that we have so well begun." He said in the remaining years of his presidency, he will achieve three aims: make America more prosperous, more productive and the world more peaceful. He called on Democrats in the Congress to cooperate with him to "make history together."

The Democratic Senate will put Reagan's administration on defensive. The President will need to work harder to deal with the Democrat-controlled and possibly hostile Senate and House, veto more bills and strike more compromises, but it is naive to predict there will be a sharp swing from right to left. Many of the new senators, such as Richard Shelby of Alabama and Terry Sanford of North Carolina, come from the moderate to conservative wing of the Democratic Party. Just as Senator Robert Byrd said, a Democratic Senate will be "moderate, middle-of-the-road."

It is a normal during election campaigns for each side to exaggerate the danger of the other's victory. But when the election is over, they sit down together to discuss problems. Democratic senators told Reagan that they hope they "won't see a fortress White House that feels it's under siege." And Reagan is studying ways to continue to use his skills as a communicator to go over the heads of Congress on matters of importance to him.

RADIO COMMENTARY ON SOVIET TROOPS IN AFGHANISTAN

OW080426 Beijing Domestic Service in Mandarin 1150 GMT 7 Nov 86

["International Current Events Program" commentary: "Only by Withdrawing All Its Troops From Afghanistan, Can the Soviet Union Free Itself From a Difficult Position".]

[Excerpts] The 41st UN General Assembly adopted with 122 votes a draft revolution, jointly proposed by Pakistan and 45 other countries, demanding an immediate withdrawal of all Soviet troops from Afghanistan. This shows that the international community has, over the past 7 years, taken a firm and principled stand and has had unshakable determination to resolve the Afghanistan issue since the Soviet invasion of that country. It also shows that the Soviet Union has been further isolated from the rest of the world.

In an attempt to free itself from this isolation, the Soviet Union in last two years has put forward a slogan for a political settlement to the Afghanistan issue. As everyone knows, the root cause of the Afghanistan issue is the aggression and occupation of Afghanistan by 120,000 modern Soviet troops. In order to settle the Afghanistan issue politically, the Soviet Union must unconditionally and immediately withdraw all its troops from Afghanistan. This is the only correct way toward a political settlement of the issue, and is the essence of all relevant resolutions adopted by the UN General Assembly.

However, while publicizing its desire to settle the Afghanistan issue politically, the Soviet Union refuses to completely withdraw its troops from Afghanistan. This shows that the Soviet Union in fact lacks the sincerety necessary for a political settlement of the issue. [passage omitted]

According to a Soviet statement, the Soviet Union withdrew six regiments, with a total strength of approximately 8,000 men, from Afghanistan between 15 and 31 October. Soviet offcials have, one after another, told the outside world about the event. Soviet news media are making great efforts to try to create favorable public opinion from the event. The Soviet departments concerned even broke the rules and organized foreign reporters to cover the event at the scene of the withdrawal. In doing so, the Soviet Union was trying to describe this symbolic troop withdrawal as a sincere and important step toward a political settlement of the Afghanistan issue. What is the Soviet Union's actual purpose? Many countries have pointed out sharply that is is nothing but a trick to deceive the world's people.

First, the Soviet Union is beset with difficulties at home and aboard because of to the Afghanistan issue. It has paid a great price for its occupation of Afghanistan in last 7 years. It has been condemned by people worldwide and it is also faces a rising resentment among it own people. The Afghanistan issue has become a heavy burden on the Soviet Union's back, as well as a headache for Soviet leaders. The Soviet Union's announcement of the partial troop withdrawal, prior to this year's debate on the Afghanistan issue at the UN General Assembly, is evidently to deceive the world and reduce internal and external pressure.

Second, the Soviet Union's partial troop withdrawal was only a show, as it involved only 8,000, or small portion, of the 120,000 Soviet troops in Afghanistan. Most of the 8,000 troops withdrawn were the least useful personnel there. Moreover, the Soviet Union had deployed 15,000 additional combat troops several months ago with newer equipment. [passage omitted]

These facts show that the Soviet Union does not have the sincerity necessary for a political settlement of the Afghanistan issue at all. [passage omitted] The latest resolution adopted by the 41st UN General Assembly once again demanding an immediate withdrawal of all Soviet troops from Afghanistan shows that the Soviet Union's partial troop withdrawl trick cannot fool anyone. If the Soviet Union wants to free itself from its isolation from the world that was caused by this situation, it has only one way out -- that is, to negotiate with all parties concerned to work out a rational troop withdrawl timetable, and withdraw all its troops from Afghanistan without any delay.

USSR PAINTING EXHIBIT OPENS IN BEIJING

OW101232 Beijing XINHUA in English 1225 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- An exhibition of 84 oil paintings and 23 sculputures from the Soviet Union was opened at the China Art Gallery here this afternoon.

Representing works by major Soviet painters and sculptors in different periods since the Russian October Socialist Revolution in 1917, the exhibits depict Soviet people in all walks of life.

Shao Dazhen, member of the Secretariat of the Chinese Artists' Association, praised the exhibits for their rich content and colorful forms combining realistic technique of expression with decorative style.

Present were Chinese Vice-Minister of Culture Gao Zhanxiang and Soviet Ambassador to China O.A. Troyanovskiy.

After its two-week show in Beijing, the exhibition will move to Shanghai.

PRC SHOWS SOVIET FILMS ON GOSR ANNIVERSARY

OW080622 Beijing in Russian to the USSR 1800 GMT 6 Nov 86

[Text] PRC radio and television broadcast special programs devoted to the 69th anniversary of the Great October Socialist Revolution [GOSR]. Besides the Soviet films: A Military Field Novel, They Fought for the Motherland, and A Railway Station for Two, broadcast by PRC Central Television, Beijing Television, and PRC Central People's Radio, PRC Central Television in its Around the World program, on the occasion of the GOSR also broadcast a film: Early 19th Century Russian Architecture. Also to be shown during the holiday is the television film, Ode to the October Revolution, which features Soviet songs performed by well-known Chinese artists, other Soviet music, and many precious film clips and photographs.

DPRK'S KIM IL-SONG MEETS GUANGMING RIBAO GROUP

OW071332 Beijing XINHUA in English 1251 GMT 7 Nov 86

[Text] Pyongyang, November 7 (XINHUA) -- President of the Democratic People's Republic of Korea Kim Il-song met here today with a delegation of the Chinese newspaper "GUANGMING DAILY."

Kim said that the Korean and Chinese comrades are as close as members of a family. The exchange of visits between the Chinese newspaper and the Korean newspaper "MINJU CHOSON" is a good thing.

Kim said that the Chinese paper often carried stories about the socialist construction in Korea and the Korean people's struggle for reunification of their fatherland. This is an inspiration to the Korean people.

Du Daozhang, editor-in-chief of the "GUANGMING DAILY" and head of the delegation, also spoke highly of the achievements made by the Korean people in their construction.

The Chinese delegation which arrived here on October 24 at the invitation of the Korean paper "MINJU CHOSON" has toured the cities of Pyongyang, Hamhung and Kaesong. It is leaving for home tomorrow.

NPC VICE CHAIRMAN ZHOU GUCHENG MEETS DPRK OFFICIAL

OW050135 Beijing Domestic Service in Mandarin 1200 GMT 3 Nov 86

[Text] Zhou Gucheng, vice chairman of the NPC Standing Committee, had a meeting this afternoon with the DPRK delegation of innovators, headed by (Han Hung-kuk), chairman of the Occupational League of South Hamyong Province.

ZHANG JINGFU MEETS DPRK TRADE DELEGATION

OW101308 Beijing XINHUA in English 1240 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- Chinese State Councillor Zhang Jingfu met here today a government trade delegation from the Democratic People's Republic of Korea led by Kang Chong-mo, vice-minister of foreign trade.

The delegation came to discuss trade between China and Korea for 1987.

BUILDING OF ANTI-JAPANESE WAR MEMORIAL PROCEEDING

OW101052 Beijing XINHUA in English 0929 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- Construction of the memorial hall commemorating the War of Resistance Against Japanese Aggression is to be completed by next year's 50th anniversary of the outbreak of the war, an official said here today.

Located near the Lugouqiao Bridge about 15 kilometers southwest of Beijing, the hall will be the first in China to give a complete picture of the war and reproduce the scene of the Lugouqiao battle.

On July 7, 1937, the Japanese invading forces attacked the Chinese garrision at Lugouqiao. The incident marked the beginning of the Japanese invasion of China and the long and bloody struggle of the Chinese people that lasted eight years.

More than 140 workers have been working day and night since last July when construction started to ensure the opening of the memorial hall before July 7 next year, Huang Jianguo, who is in charge of the project, told XINHUA.

The hall, he said, will cost 37 million yuan (about 10 million U.S. dollars) with floor space totalling 10,000 square meters.

Chen Dingwen, advisor to the Preparatory Committee, said that the hall will reproduce the heroic struggle of the Chinese nation with a rich collection of documents, objects and art works.

The memorial hall will contain five exhibits related to various battles in the war. Documents, photos and artifacts related to the struggle will also be shown, he said.

Unlike similar museums in China, the memorial hall will not only comemorate battles conducted by the Communist Party Armies, but also battles carried out by the Kuomintang Army, Chen added.

A section on Sino-Japanese friendship will also be set up. These displays will include the post-war Constitution of Japan, the anti-war activities of the Japanese people and the friendly exchanges between the Chinese and Japanese peoples.

More than 1,000 objects have been collected throughout the country, Chen said.

Chen said that all residents of China's Mainland, Hong Kong, Macao and Taiwan and Chinese nationals residing abroad are welcome to contribute artifacts pertaining to the war.

GU MU MEETS JAPANESE TELECOMMUNICATIONS GROUP

OW111214 Beijing XINHUA in English 1147 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- State Councillor Gu Mu met here today with a Japanese delegation for Japan-China communication and broadcasting technical cooperation.

The delegation is led by Keiwa Okuda, member of the House of Representatives and advisor to the Japan-China Science, Technology and Culture Centre, and Yasusada Kitahara, senior executive vice-president of the Nippon Telegraph and Telephone Corporation.

Gu Mu gave a luncheon in their honor after the meeting.

The delegation arrived here yesterday at the invitation of the Ministry of Posts and Telecommunications. The guests are expected to conduct technologic exchanges with their Chinese counterparts in Beijing and Shanghai in the fields of communication and broadcasting.

XINHUA ANALYZES CAMBODIAN WAR, SRV ECONOMIC WOES

OW081340 Beijing XINHUA in English 1319 GMT 8 Nov 86

["Analysis: Kampuchean War Responsible for Vietnam's Economic Plight, by Lin Yuan" -- XINHUA headline]

[Text] Beijing, November 8 (XINHUA) -- Vietnam can no longer avoid stating the obvious: Its severe economic crisis is linked to its war in Kampuchea.

In the latest issue of "COMMUNISM", an official Vietnamese magazine, a high-level official acknowledged that Vietnam's "considerable" military outlay for maintaining its presence in Kampuchea was an "objective cause" of economic troubles.

Top Vietnamese leader, Truong Chinh, admitted recently that production forces are weakening and there are no answers in sight to the economic woes that have succeeded in lowering the country's standard of living.

Vo Chi Cong, vice chairman of the Council of Ministers, compared today's economic situation in Vietnam to the times of Vietnam's anti-French and anti-U.S. wars.

Since the end of 1978 when Vietnam began its occupation of Kampuchea, Vietnam's industrial output value has sharply decreased and its inflation rate has raised steadily from 100 to 300 percent.

Hanoi is also in heavy debt. It owes creditors nine billion U.S. dollars. The International Monetary Fund last year cut off its loans to Vietnam because the country was unable to pay them off.

Hanoi has failed to reach the goal of the five-year plan starting from 1980, that of stabilizing the economy.

In describing the life of some miners, a Vietnamese newspaper reported recently that the real value of the workers' income in September was only 35 percent of their income just one year ago.

When it invaded Kampuchea at the end of 1978, Vietnam said its troops would only be gone a few short months as the war would be a short one. The Soviet Union's financial and military aid was thought to be enough to do the job quickly.

Eight years has elapsed, but the "lightening" war still drags on.

How can Vietnam, just five years after a 10-year-long war with the United States, and with a per capita income of less than 100 dollars, maintain an army of one million men and sustain an aggressive war in another country that involves far over 100,000 of those soldiers?

While it admits that war has resulted in the suffering of its people, Hanoi shows no signs of changing its policy.

What is to be made, then, of Hanoi's 1986 National Day promise to better the lives of its people?

SINGAPORE FIRM TO PROVIDE FUNDS FOR SHENZHEN PORT

OW111848 Beijing XINHUA in English 1833 GMT 11 Nov 86

[Text] Shenzhen, November 11 (XINHUA) -- Mawan Port in the Shenzhen Special Economic Zone, Guangdong Province, will be built with funds provided by Sum Cheong Piling Private Ltd. of Singapore.

This is China's first port to be built with funds all provided by a foreign firm, said a local official here today.

A cooperative company was set up here today by the Singapore company and the Nanhai Oil Shenzhen Development and Service Corporation to construct and manage the port and its support projects including railway and storage facilities.

The cooperative company will invest 60 million U.S. dollars in building a multi-purpose berth to accommodate 20,000 dwt ships and a container wharf for 35,000 dwt ships in the first construction phase and at the same time invest 50 million U.S. dollars in constructing a 35.5 km railway line to link the port with the Guangzhou-Shenzhen line.

These facilities are scheduled to be completed and commissioned in mid-1988.

The port is located on the western part of the Nantou peninsula, which is suitable for construction of 12 berths for 20,000 dwt ships.

Upon completion, it will be one of the largest container ports in China.

GOVERNOR OF AUSTRALIAN STATE VISITS TIANJIN

SK100137 Tianjin TIANJIN RIBAO in Chinese 27 Oct 86 p 1

[Text] Dr Davis McCaughey, governor of Victoria State of Australia, and his wife and entourage, a total of four persons, arrived in Tianjin for a friendly visit on 25 October.

Yesterday, Mayor Li Ruihuan received Governor McCaughey and his wife and entourage at the Cadres' Club. Mayor Li said: Melbourne, the capital of Victoria State, is a city friendly to Tianjin. "Let me express my warm welcome to the visit of Governor McCaughey and his company on behalf of the municipal government." After that, Mayor Li gave a brief introduction to the guests about Tianjin's history and the development of the situation in recent years. Governor McCaughey thanked the Tianjin government for the hospitality accorded them during their visit in the municipality. He also said that Tianjin is a promising city and wished that Tianjin and Melbourne City will continue to strengthen their friendly contacts in the future.

Vice Governor Li Changxing was also present at the reception.

During their stopover in Tianjin, Governor McCaughey and his entourage visited the No. 2 carpet plant and a cloisonne enamel plant, toured the municipality, and visited Nankai University and gave a lecture there.

Governor McCaughey and his entourage will end their visit and leave Tianjin tomorrow.

NEWS ANALYSIS ON BANGLADESH WITHOUT MARTIAL LAW

OW101848 Beijing XINHUA in English 1831 GMT 10 Nov 86

["News Analysis: Martial Law Goes, Issues Still Tough in Bangladesh (by Xuan Zengpei and Wu Dingbao)" -- XINHUA headline]

[Text] Dhaka, November 10 (XINHUA) -- Bangladesh citizens may feel rightly rejoicing today, with martial law lifted from the country, the Constitution revived and all the fundamental rights restored.

Following the ending of the 56-month-old martial law, there will not be an easy-going time for Bangladesh authorities, however, if they fail to swiftly improve the aggravating economy and tactically pacify the never-contenting political opposition.

President Hussain Mohammed Ershad, who had been until a moment ago chief martial law administrator since March 1982, is expected to have a big re-shape of his present cabinet, largely a left-over makeup catered for military rule.

The cabinet re-shape, very much likely to be in late November after Ershad comes back from the second South Asian summit to be held in India, may draw in new blood with professional specialties and political expertise to face the challenges.

Economically, Ershad has to work out prompt measures to arrest price hikes of daily essentials. Recent floods, washing away paddy crops in northern districts, further added to make things more difficult.

Also, the government needs urgent strategy on jute for the nation, the world's largest exporter of raw jute. The jute industry, a national lifeline, employs one third of the population and earns over 60 percent of its foreign exchange.

Latest world market quotations put the Bangladesh jute at the normal 49 U.S. dollars per ton as against a steeply throw-away rival of 37 dollars. While at home jute growers complained purchasing prices are far below the production costs.

Politically, three major opposition forces may not lose any chance to press the government, ranging from charges against corruption and calls for fresh polls to electing a new parliament and especially a new president.

The seven-party alliance, one of the three oppositions, boycotted the May 7 parliamentary elections and the October 15 presidential election. Although it disappeared from the scene now, it is expected to make itself felt in the coming months.

While the other two, the Eight Party Alliance and the right wing Jamaat-E-Islami Party, well known for their tightly-knit national organizations, have proved to be fault-finders with past records.

They both joined in the parliamentary elections but both boycotted its first and second sessions. They also walked out the presidential election.

Together with the seven-party alliance, they staged a general strike on the voting day of the October 15 presidential election.

Observers here said that with no effective martial law ban to be exercised in the country any longer, the opposition will have a much greater leeway for maneuver, and can make things rather difficult at times for the government.

As for the ruling Jatiya (National) Party, set up only last January, Ershad needs to skillfully revamp it. The Jatiya unity and strength seem to depend on how smoothly he accomplishes the revamping.

40 SOVIET-KABUL TROOPS KILLED IN AFGHANISTAN

OW091240 Beijing XINBUA in English 1225 GMT 9 Nov 86

[Text] Islamabad, November 9 (XINHUA) -- Forty Soviet-Kabul troops were killed by the Afghan resistance forces during their attacks in the north of Kabul Province this week, according to reports reaching here today.

The reports said that three Soviet tanks and three military posts were captured by the resistance forces.

According to another report, the Afghan guerrillas launched an attack on a military convoy of the Soviet-Kabul troops in Qandahar-Kabul Highway during last month. As a result, a considerable number of the Soviet-Kabul troops were killed or injured, while three military transport vehicles and an ammunition depot were set on fire.

The report added that availing of the opportunity, 30 Afghan troops along with their arms and ammuntion joined the ranks of the Afghan freedom fighters.

INDIAN VICE-PRESIDENT RECEIVES PRC JURISTS

OW111048 Beijing XINHUA in English 0721 GMT 11 Nov 86

[Text] New Delhi, November 10 (XINHUA) -- Indian Vice-President R. Venkataraman received visiting President of the Supreme People's Court of China Zheng Tianxiang and his party here this afternoon.

During talks with the Chinese guests, the vice-president said the relations between India and China have been improved in economic and cultural areas in recent years. He expressed the hope that both countries will have more exchanges in the judicial field.

Zheng Tianxiang briefed the vice-president with China's efforts to complete and improve a socialist legal system with Chinese characteristics.

Indian Minister of Law and Justice Ashok Sen also met with Zheng Tianxiang and his party later today.

The Chinese delegation arrived here on November 7 at the invitation of the Supreme Court of India.

Apart from Delhi, it will visit Bombay, Goa, Cochin and Calcutta before leaving for China on November 21.

SWISS FOREIGN MINISTER VISITS CHINA

Leaves for China

OW101606 Beijing XINHUA in English 1541 GMT 10 Nov 86

[Text] Geneva, November 10 (XINHUA) -- Vice-President of the Swiss Federal Council and Foreign Minister Pierre Aubert left Switzerland today for a week-long official visit to China, the first of its kind since 1974.

On his departure, Aubert told XINHUA that he was very pleased to visit China in the hope of promoting friendly relations between the two nations. He described China as a country which always plays a vital role in Asian and world peace.

Switzerland was one of the first countries to establish diplomatic relations with China. Since then, Aubert said, the two governments, which share the goal of maintaining world peace, have developed their relations to his profound satisfaction.

The Swiss foreign minister said exchange of visits by the two countries should be increased and cooperation in the fields of economy, trade and culture be expanded.

Aubert said the East-West tension and North-South relations will remain major problems until the end of this century. The imbalance between economies and levels of development aggravate political tension, he added.

Pursuing a policy of neutrality, Aubert said, Switzerland will make efforts in the resolution of East-West confrontation by providing an environment for superpower dialogues.

Aubert is travelling to China at the invitation of the Chinese State Councillor and Foreign Minister Wu Xueqian. The Chinese Ambassador to Switzerland Tian Jin and other Chinese diplomats saw him off upon his departure.

Seeks To Strengthen Ties.

OW081403 Beijing XINHUA in English 1221 GMT 8 Nov 86

[Text] Geneva, November 8 (XINHUA) -- Pierre Aubert, vice-president of the Swiss Council and head of the Federal Foreign Affairs Department, says he hopes his visit next week to China will strengthen the friendship between the Swiss and Chinese peoples.

He made these remarks in his written response to questions put forth by XINHUA. His visit is from November 11 to 16.

He says that his government has made great efforts to develop relations with those countries playing an important role in global affairs like China.

Aubert says he is satisfied with the development of relations between China and Switzerland and believes his visit will further improve them.

In the past few years, trade between Switzerland and China has grown rapidly; in 1985, the trade volume stood at 468 million dollars. However, since the 1970s, China has had a trade deficit with Switzerland.

The Swiss minister said the trade deficit pattern should be changed.

On cultural matters, Aubert said the potential was great for more exchanges.

Technical and economic exchanges should also be on the two countries' agendas, he said.

On world affairs, Aubert said that while his country would not play a key role in the easing of East-West tensions, it would always be ready to provide a site for international dialogue.

Wu Xueqian Fetes Aubert

OW111735 Beijing XINHUA in English 1623 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian said here today that there exists great potential for the development of the relations between China and Switzerland, as they are based on a solid foundation.

He said this at a banquet he gave in honor of Pierre Aubert, vice-president of the Federal Council and head of the Federal Foreign Affairs Department of Switzerland, and his party here this evening.

Since the two countries established diplomatic relations in 1950, Wu said, ties between them have been continuously developed. Over the past few years exchange of visits by the leaders and other personnel of various levels of the two countries has increased, thus further deepening their mutual understanding.

He noted that the volume of trade between the two countries has also increased by year. It hit the highest level last year.

Bilateral economic and technological cooperation has had a good beginning and gratifying results have been achieved in exchanges in culture, education, science, and technology.

He said the facts have demonstrated that both China and Switzerland share a sincere desire for the development of long-term and stable friendly relations and cooperation on the basis of the five principles of peaceful coexistence despite their different social systems.

The two countries will learn from each other and their economic stuctures are complementary to each other, he noted. So there exist broad prospects for further development of their relations.

Wu spoke highly of the policy of the permanent armed neutrality Switzerland resolutely pursues and of its unremitting efforts to defend its sovereignty and independence, ease international tension, safeguard would peace and promote international cooperation.

Aubert said gratifying progress has been made in bilateral relations. Since the Chinese government implemented the open policy in 1979, such relations have been further developed.

He said the two countries can not be compared as regards size and population, but they still feel very close to each other. This is because the two countries have many common interests. Prior to the banquet, Wu had a meeting with Aubert and his party.

Aubert arrived here this morning for an official visit to China as guest of Wu Xueqian.

ROMANIA'S DINCA, GOVERNMENT DELEGATION VISIT PRC

Arrive 10 November

OW101510 Beijing XINHUA in English 1502 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- A Romanian Government delegation led by First Deputy Prime Minister Ion Dinca arrived here tonight for a friendly visit to China.

While in Beijing, the delegation will attend the seventh meeting of the Committee for Economic and Technical Cooperation between the governments of China and Romania.

The Romanians were greeted at the airport by Lu Dong, Chinese chairman of the committee and minister in charge of the State Economic Commission.

Cooperation Meeting Opens

OW111736 Beijing XINHUA in English 1601 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- Lu Dong, Chinese minister in charge of the State Economic Commission, said here today that the trade volume between China and Romania will increase by a big margin from 1986 to 1990.

Speaking at the seventh meeting of the Committee for Economic and Technical Cooperation between the two governments which opened today, Lu Dong said that China would take a positive attitude towards the development of bilateral trade and economic and technological cooperation, and also welcome the Romanian side to take part in the technical transformation of China's enterprises.

He said the two sides could explore the possibilities of cooperation in other areas so as to develop their economic and trade relations steadily.

Ion Dinca, first deputy prime minister of Romania, said a new agreement would be decided upon at this meeting to further the bilateral economic relations.

He said he hoped for further cooperation between the two countries in oil exploitation and the coal industry.

The two sides agreed that during the meeting they will review the development of bilateral economic and technological cooperation in the past year and analyse the trade situation and decide on measures for further development.

Lu Dong Fetes Dinca

OW111739 Beijing XINHUA in English 1650 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- Lu Dong, Chinese minister in charge of the State Economic Commission, held a banquet here today in honor of a Romanian Government delegation led by First Deputy Prime Minister Ion Dinca.

The delegation has come to attend the seventh meeting of the Committee for Economic and Technical Cooperation between the Governments of China and Romania and also to pay a goodwill visit.

At the banquet, Lu Dong and Ion Dinca expressed the hope that the friendly relations of cooperation between China and Romania would continue to develop.

Lu Dong said that the leaders of China and Romania attach great importance to the seventh meeting, which opened this morning. This meeting, he noted, is very important in the economic cooperation between the two countries.

He said China and Romania trust, respect and support each other and treat each other as equals. Both countries treasure greatly the friendship existing between them and strengthen their cooperation and increase contacts in every field so as to develop this friendship, he added.

Ion Dinca spoke highly of the friendly relations between Romania and China. He said he was sure the seventh meeting would make an important contribution to the development of the friendly relations of cooperation between the two countries.

Song Ping Meets Dinca

OW121114 Beijing XINHUA in English 1105 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Song Ping, Chinese state councillor and minister in charge of the State Planning Commission, today conferred with Romanian First Vice Prime Minister Minister Ion Dinca on expanding bilateral trade, economic and technical cooperative relations. Ion Dinca is here to attend, at the head of a Romanian Government delegation, the seventh meeting of the Committee for Economic and Technical Cooperation between the Chinese and Romanian Governments and also to pay a goodwill visit.

CHEN PIXIAN SPEEKS TO ROMANIANS ON LEGAL WORK

OW071314 Beijing XINHUA in English 0912 GMT 7 Nov 86

[Text] Beijing, November 7 (XINHUA) -- China's legal work should serve the modernization drive as well as the policy of opening to the outside world and enlivening the domestic economy, said Chen Pixian, member of the Secretariat of the Chinese Communist Party Central Committee. At present, he said, the legal work should focus on the economy. And the goal of China's legal work is to expand socialist democracy and legal system. Chen made these remarks at a meeting here today with a journalists delegation from Romania led by Maria Costache, editor-in-chief of "ROMANIA LIBERA".

Chen also answered questions raised by the visitors concerning China's legislation and work in the ideological field.

He said that China abides by the four basic principles in all its work, and tries to solve various kinds of ideological problems by combining the basic principles of Marxism with China's reality.

RENMIN RIBAO REPORTS LOCAL ABUSE OF POWER

HK100701 Beijing RENMIN RIBAO in Chinese 7 Nov 86 p 1

[Report: "An Incident of Wantonly Interfering in the Work of the People's Congress Occurs in Shaoyang County, Hunan Province"]

[Text] "If a person is denounced as an anti-party element once he airs some different opinion and is investigated by cadres of the Discipline Inspection Department, how could there be any democracy? We could just shut our mouths." A member of the Standing Committee of the Shaoyang County People's Congress said this angrily at the Standing Committee meeting, which was held to discuss the case in which the secretary of the county party committee ordered the county Party Discipline Inspection Commission to investigate the critical speech by people's deputy Xiao Diaoguo.

On 16 July this year, the Standing Committee of the People's Congress of Shaoyang County, Hunan Province, held its 15th meeting. Xiao Diaoguo, a county-level people's deputy and chief of Changle Township, said at the meeting that there was a serious shortage of oil in the countryside. He said that peasants now had no oil to light lamps in the evening, to husk rice, to fight against drought, and to drive their vehicles. Rarely since liberation have peasants had no oil to light their lamps. so they are resentful of the government's work. Now, some communist cadres only care about their own well-being and do not show concern over peasants' well-being. I do not know whether they still have a conscience. Other comrades at the meeting also aired quite a lot of opinions on the oil shortage in the countryside.

The same afternoon, the responsible cadre of the county party committee's Propaganda Department who attended the meeting reported what happened at the meeting to the secretary of the county party committee, saying that the chief of Changle Township uttered anti-party remarks and said that the Communist Party does not match the previous feudal dynasties. Then, the county secretary immediately ordered the county Discipline Inspection Commission to investigate this case. The same evening, the chairman and vice chairman of the county People's Congress Standing Committee were asked to prepare evidence. The two chairmen refused to write such things, pointing out that the investigation of the county party committee was improper. Next morning, the county party committee sent another cadre to contact the responsible comrades of the county People's Congress and asked a member of the Standing Committee to prepare evidence, but this was again turned down. After the People's Congress Standing Committee finished its meeting, the county party Discipline Inspection Commission continued to question others who had attended the meeting.

On 19 August, leaders of the county institutions gathered to study the CPC central documents. The chairman of the county People's Congress Standing Committee said that the county party secretary was not right to investigate the people's deputy who spoke at the People's Congress Standing Committee meeting, because no one would dare speak out if such investigations are made. But the county party secretary stuck to his own opinion and maintained that Xiao Diaoguo's remarks violated the four basic principles and should be investigated regardless of the occasion where the remarks were made. A vice chairman of the Shaoyang City People's Congress Standing Committee has talked with county party secretary, chairman of the county People's Congress Standing Committee, and county magistrate on this case. The county party secretary only admitted the method was not quite proper, and no unified opinion has been reached.

Commentator's Article

HK100731 Beijing RENMIN RIBAO in Chinese 7 Nov 86 p 1

[Commentator's article: "Comrade, Put Down Your Big Stick"]

[Text] The fact that the party committee secretary of Shaoyang County, Hunan Province, ordered the county Discipline Inspection Commission to investigate a speech by People's Deputy Xiao Diaoguo at a county People's Congress Standing Committee meeting has aroused people's righteous indignation, and this event should also prod us into deep thought.

Xiao Diaoguo's speech truly reflected the the serious oil shortage in the countryside, and also included penetrating criticism of some party cadres. His spirit of daring to speak in a forthright manner is very valuable, and is always advocated by our party. The party's local leadership should welcome such criticisms and should seriously solve the problem concerned, find out the reason, improve its work, and help the masses overcome the difficulty. However, it is a pity that such penetrating and pertinent opinion was treated as "anti-party remarks." Isn't such practice of unreasonably exaggerating the seriousness of a matter and charging people of terrible crimes quite similar to the "leftist" practice which prevailed 10 years ago?

Although 8 years have passed since the 3d Plenary Session of the 11th CPC Central Committee and major developments have been made in socialist democracy and the socialist legal system, a small number of comrades in the party still adhere to old concepts when viewing and considering things and give no consideration to democracy and the legal system. What they defend are often not the correct principles that should be maintained; and what they oppose are often not the erroneous opinions and remarks that should be opposed but the realistic spirit and the truth.

The comrades who organized the illegal investigation said "forcefully" that what they did is to defend the four basic principles. However, they in fact do not really understand the four basic principles and do not realize that observing the Constitution is an important point in these four basic principles. The Constitution clearly stipulates that in a socialist country with people's democratic dictatorship, the NPC and people's congresses at all levels are organs which exercise state power on behalf of the people; and the Standing Committee of a local people's congress at and above the county level has the right to discuss and decide on major issues in all fields in its administrative area and to supervise the work of the people's government, the people's court, and the people's procuratorate at the corresponding level. The Constitution also clearly stipulates: "All state organs and armed forces, all political parties and social organizations, and all enterprises and institutions must observe the Constitution and other laws." The party Constitution also solemnly stipulates: "The party must organize its activities within the limits allowed by the Constitution and other laws." Does the action of ordering the party discipline department to interfere in the normal discussion in a meeting of the county People's Congress Standing Committee comply with the Constitutional principles?

The four basic principles form the foundation for us to build our country so they constitute a serious political issue. We must be very prudent in handling matters which are related to the four basic principles. All Communist Party members, no matter in what posts they hold, must observe the four basic principles and observe party discipline. [paragraph continues]

If they oppose the four basic principles or violate party discipline, it is completely correct for the party discipline department to investigate and handle their cases by legal means. However, it is completely wrong to recklessly charge people of the crime of "violating the four basic principles" and to order the party discipline department to hold investigations. This will just harm the authoritative position of the four basic principles and harm the prestige of the party discipline inspection organ.

It is completely correct for comrades of the Shaoyang County People's Congress Standing Committee to oppose and resist the erroneous investigation. This event showed that a large number of comrades in our cadre contingent have established a firm idea of ensuring the legal system and dare to stand up to defend the dignity of democracy and the dignity of law. With the further popularization of the legal knowledge and the in-depth development of legal education, more and more comrades will be able to do so. As compared with these comrades, the secretary of the Shaoyang County Party Committee and the responsible comrades of the Propaganda Department have lagged far behind. We hope that they will seriously examine themselves, draw a lesson, and not bludgeon other comrades by using the charge of "violating the four basic principles."

COMMENTS ON CADRES TRAVELING AT PUBLIC EXPENSE

HK100431 Beijing RENMIN RIBAO in Chinese 5 Nov 86 p 1

[Commentator's article: "A Word of Advice to Cadres Going to the West"]

[Text] Some results have been achieved in rectifying the unhealthy practice of traveling at public expense in the party rectification effort. It is reported that there has really been a reduction in the number of people traveling to the peak of Tai Shan and the foot of Lu Shan at public expense. But there has been a recent reported increase in people touring the Dunhuang Cave and the 1,000-li precipice (qian-li-ge-bi 0578 6849 2047 1084) with those areas kept very busy. Four kinds of tours are involved: "conference tours," "work tours," "pleasure-work combination tours," and "sheer pleasure tours." The local masses call the cadres on these tours "west-bound cadres."

The views and scenes in western China have attracted a large number of tourists from abroad. The western areas also welcome tours from cadres and people of the country. This helps in enlivening the consumer goods market in poverty-ridden western areas and in their economic development. They especially welcome some experts, scholars and leading cadres of developed areas coming to the West to make surveys and to provide advice and information on changing the features of western areas. The problem is that a large number of "west-bound cadres" have not spent one cent out of their own pockets. Under the banner of "meetings" and "work," they get the public to pay for them. They have done nothing to help increase the western areas' wealth. Instead, they have added to the burden on them. Many of the western areas are still subsisting on financial subsidies from the state. After "west-bound cadres" come, they demand top-class housing, first-class cars and the best foods and drinks. State money as a subsidy for these poverty-ridden areas thus goes to those "west-bound cadres." To show that they are traveling "on business" and not doing so "at public expense," some "west-bound cadres" go through the motions of asking to be briefed by local district and county party committees on local conditions upon arriving at an area, thus interfering with local cadres' normal work. All things of this kind have aroused resentment.

The central authorities have issued clear-cut orders banning traveling for pleasure at public expense. Whether traveling west, east, south or north, the ban applies. Especially banned are cases of traveling "on business" but actually "for pleasure." Of course, some conferences have to do with the development of the West. The arrangement for such meetings to take place in the West cannot be blamed. It is especially excusable for some leadership organs to send cadres to the west to give guidance about work. These help in "bringing the east wind to the west" and establishing extensive ties between the east and the west. Concerning those comrades who are really required by work to head west to attend meetings or do business, they may use their leisure time to tour some scenic spots in the West. But they must take into consideration the following few things:

1) On a tour, they must pay for carfare, anything bought for personal use, food, and tickets for admission to any place of interest. They cannot force a given area to "pay the bill." Nor should they deduct any such outlay from conference-related funds. Still less can they turn on their own unit for reimbursement by producing relevant bills and tickets.

2) They must not make excessive demands on a given area. Tourist facilities and material conditions in western areas are relatively poor. If they want to live in good housing, eat well and travel in a first-class car, local cadres can hardly grant their wishes. Especially top-ranking cadres, who have their own family members and an entourage with them, must not cause a given area trouble.

3) They must not mix business with touring. Going on a tour, they must do so in an open and aboveboard manner and do so righteously. After all, they are travelling at their own expense. No one can say anything against them. If they arbitrarily mix touring with business and let people trouble them with work reports, either they would have their attention distracted by a tour right ahead, or they could not concentrate on what is being reported to them., even after return from a tour with fatigue still in them. What can we say in justification?

"Think thrice before we act," as a Chinese saying goes. We hope that those cadres who have a chance to travel westward will do something for the West and not be the despair of the people there!

AGREEMENT ON CREDIT CARD USE SIGNED IN BEIJING

OW111334 Beijing XINHUA in English 0850 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- An agreement to introduce three credit cards issued by the Bank of China on behalf of Hong Kong Nanyang Commercial Bank Ltd. was signed here today.

Beijing Food Stuffs Corp., Hong Kong Nanyang Commercial Bank Ltd., and the Beijing Branch of the Bank of China agreed to issue Mastercard, Visa, and Federal Credit cards.

There are now more than one hundred hotels, restaurants and shops in Beijing accepting seven international credit cards and the "Great Wall" credit card issued last June by the Beijing branch of the Bank of China.

Beijing businesses began to accept international credit cards in 1981, and the Bank of China has decided to expand the use of the "Great Wall" card nationwide.

CHEN MUHUA SPEAKS AT FORUM ON FINANCIAL SYSTEM

OW111208 Beijing XINHUA in English 1158 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- China will take measures to readjust interest rates and improve its macro financial regulative and controlling systems, State Councillor Chen Muhua said here today.

"To keep pace with the restructing of the economic system, the country's financial reform needs to be carried out in the next five years," Chen said, who is also governor of the People's Bank of China.

At a colloquium on macroeconomic management, growth, and the role of the International Monetary Fund held here today, Chen said, "China will gradually open monetary markets and tighten and improve the control of foreign exchange."

She pointed out, "it is necessary for China to carry out additional reforms, such as prices, and taxes when trying to establish an efficient financial system under present circumstances."

"China attaches great importance to the coordination of policies and methods in finance, and in planning the reform's course," she said.

According to Chen, China has made progress in reforming its financial system in the past few years, and the economic system is moving toward a new pattern of indirect control from the totally direct control of the central plan.

The week-long meeting is being sponsored by the People's Bank of China, the State Commission for Restructuring the Economic System and the International Monetary Fund.

At the meeting, specialists from the International Monetary Fund will discuss international macroeconomic management, while Chinese specialists will introduce new developments on the country's reform plan.

STATE RESPONSIBILITY TO BANKRUPT FIRMS LIMITED

HK111117 Beijing GONGREN RIBAO in Chinese 1 Nov 86 p 3

[Article by Gao Cheng (7559 2052): "The State Accepts No Unlimited Responsibility for an Enterprise Having Gone Bankrupt"]

[Text] In discussing the problem about the formulation of a State Enterprise Bankruptcy Law, some people ask: The state being the only shareholder in a state enterprise, should the state accept unlimited responsibllty for a state enterprise having gone bankrupt? [paragraph continues]

In my opinion, the state should be excused from unlimited responsibility.

We know that so-called unlimited responsibility, the opposite of limited responsibility, means that a person (shareholder) with money invested in an economic organization (a company, an enterprise, a partnership, and an individual operator included), regardless of his share of the total capital and his proportionate share of profits and losses, undertakes to jointly or individually discharge all the obligations of such an organization to its creditors. For example, a and b enter into partnership, with a investing 20,000 yuan and b 30,000 yuan. With the failure of the business, both are jointly indebted to the extent of 60,000 yuan. Apart from the total amount of 50,000 yuan put up, a and b must take money out of their own pockets to pay off all the remaining debts. If the combined family assets of the two are not enough to pay the debts, they should be declared bankrupt. The same is also true of other economic organizations with unlimited responsibility. It is different in the case of limited responsibility. Limited responsibility means that the investor accepts responsibility for an economic organization's obligations only to the limit of the amount put up. Two forms of responsibility, limited and unlimited, are defined in economic activity. The aim is to enable economic organizations to understand each other's financial position and form of responsibility in mutual economic trading activity. This is taken as a basis for judging returns on trading activity and its likely risk and thus determining the amount of transactions, kinds of transaction, and so forth.

Now our country still has no company law and is lacking in stipulations about the formation of companies (enterprises), the ways of putting up capital, and the forms of responsibility. Many enterprises have no sense of profits and losses. They also lack the concept of money borrowed to be returned. With the deepening of the economic reform, the development of the commodity economy has objectively called for recognizing the status of enterprises in civil activity and recognizing the form of responsibility on the part of state enterprises. The general rules of our civil law say that a state enterprise is a legal person. With the property entrusted to its care by the state, the enterprise as a legal person assumes civil responsibility. This affirms the assumption of responsibility for obligations by the enterprise legal person in a limited way. This is to say that when a state enterprise is declared bankrupt because of serious losses and its inability to pay debts due, it is responsible for its obligations to the extent of the property entrusted to its care by the state. This stipulation clearly defines the dividing line where state and enterprise responsibility for property is concerned. There is no need for the state to assume unlimited responsibility for an enterprise. For example, a certain state enterprise is entrusted by the state with the handling of property (including fixed assets, cash, special funds, and so forth) in the total amount of 5 million yuan. Due to poor management and other factors, it owes several enterprises debts totalling 6 million yuan. Unable to discharge these obligations, it is forced to declare itself bankrupt. Then, the enterprise need only pay debts to the limit of all its property in the amount of 5 million yuan, which is proportionately distributed among creditors, with exemption from responsibility for shortfalls. The economic relations between the debtor and the creditors thus comes to an end. There is no need for either the state or the organ in charge of the enterprise to pay the debts of the failed enterprise.

On the contrary, with no bankruptcy system in force, the state may assume unlimited responsibility. If financial organs at various levels of the state are allowed to hand out money, or the organ in charge of a relevant enterprise is made to "draw on surpluses to make up deficits" among enterprises within the same system, in order to keep the ailing enterprise going, this actually means that the state assumes full responsibility for the failed enterprises. [paragraph continues]

If an upper-level department uses administrative means to close down an enterprise in a merger, then its debts cannot be liquidated. They may be either cleared by the enterprise that takes over it, or allowed to remain long unsettled on bank accounts or left unpaid -- which hurts the interests of creditors. The closure of an enterprise in a merger, in essence, still means sharing equally in the same "big rice pot," with one enterprise taking rice out of the big rice pot involving other enterprises. The enforcement of a state enterprise bankruptcy system, as far as the state is concerned, can abolish continuous subsidies for enterprises incurring heavy losses or heavy debts due to poor management, and allows the effective solution of the problem of enterprises of this kind living on state property. From this, it can be seen that the bankruptcy of a state enterprise actually does not give rise to the problem of the state assuming unlimited responsibility.

STATE ENTERPRISE INSOLVENCY LAWS APPLAUDED

HK110905 Beijing GONGREN RIBAO in Chinese 1 Nov 86 p 3

[Article by Liu Zhaoxing (0491 0340 5281): "The Two Kinds of Worries Are Unnecessary"]

[Text] Enacting state enterprise insolvency laws is necessary to develop our socialist commodity economy and restructure the economic system and is a major party in improving the socialist legal system.

Some people say if the system of allowing state-run enterprises to declare bankruptcy is established, it is in fact the state that will suffer losses. In my opinion, the way that the question is put is not sound enough.

Our state-run enterprises are socialist enterprises which are owned by the state but have the power to run their operations.

Under socialism, some state-run enterprises which have long been operating at a loss because of poor management and low-quality products are actually on the verge of bankruptcy. Such a phenomenon is an objective fact existing in the course of socialist commodity production, no matter whether or not these enterprises "declare bankruptcy" according to legal procedures. In dealing with these enterprises for a long time in the past, we often resorted to administrative means to shut them down, suspended their operation, amalgamated them with other enterprises or switched them to the manufacture of other products. As a matter of fact, these enterprises were on the verge of bankruptcy. We did not declare their bankruptcy but shifted the responsibility of loss of the these enterprises onto well-managed enterprises. Enacting state enterprise insolvency laws will lead us to legalizing our practice of dealing with the enterprises which have long been operating at a loss by shutting them down, suspending operations, amalgamating them with other enterprises or switching them to the manufacture of other products, and make us employ legal means to properly handle cases of insolvent enterprises. This reflects our respect for the objective facts. Enforcing state enterprise insolvency laws will not cause losses to the state but will protect it from suffering losses. If we do not establish a system of allowing enterprises to declare bankruptcy and deal with enterprises which actually go bankrupt by legal means, while in form it seems that there are no insolvent enterprises in our country, in fact, the debts incurred by such enterprises can only be cleared up by state financial departments or the departments in charge of them or the debts are shifted onto other enterprises. By so doing, the state suffers greater losses. Therefore, if such enterprises do not declare bankruptcy, what does the state gain?

It is thus seen that it is unnecessary to worry that the state will suffer losses with the enforcement of state-run enterprise insolvency laws.

Some people ask: As a whole, we consolidate and develop the state economy, but individually, we allow some state-run enterprises to declare bankruptcy; are the two things contradictory? In my opinion, they are not contradictory but are completely consistent with each other. Our system of allowing enterprises to declare bankruptcy is of a socialist nature. It is formulated on the condition that enterprises in bankruptcy proceedings should be liquidated to pay debts. This protects the economic interests of their creditors and of other enterprises, thus sparking the enthusiasm of state-run enterprises. Generally speaking, the establishment of such a system is an important measure to ensure the consolidation and development of the state economy.

Then, does formulation of such a system mean that workers and other employees of enterprises in bankruptcy proceedings are deprived of the right to work accorded to them by the state Constitution? Such worries are also unnecessary. With enterprises being declared bankrupt, their workers and other employees can obtain temporary relief funds as a means of subsistence. However, the departments in charge of these enterprises should prescribe professional training in a planned way in cooperation with local labor and personnel departments, help them switch to other enterprises or trades step by step, or encouage and support them to seek jobs themselves. This ensures them the right of employment, keeps the flow of labor in a correct way and increases their ability in work.

The first provision of Article 42 of the state Constitution stipulates: "Citizens of the PRC have the right as well as the duty to work." This means that in our socialist country, work is the right as well as duty of every citizen. Formulation of the system of allowing enterprises to declare bankruptcy does not mean depriving employees of their right to work but it shows that business operations of enterprises are closely linked to their employees' common interests. This will certainly urge workers and other employees to pay attention to the business operations of enterprises, strength their sense of duty, and value their right of work, thus raising their productivity.

In brief, I think it is necessary to enact state enterprise involvency laws. However, this must be done in the execution of carrying out reforms in depth in different aspects and on the basis of the experiences and methods which have proved successful and practical through much practice. By doing so, we must formulate state enterprise insolvency laws with Chinese characteristics, plus corresponding laws and regulations. At present, conditions are not yet ripe and, we should not, therefore, make a hasty decision and rush things through to completion.

COMMODITY ECONOMY, SPIRITUAL SOCIETY LINKED

HK101535 Beijing RENMIN RIBAO in Chinese 7 Nov 86 p 5

[Article by Xu Chuan (6079 1557): "The Commodity Economy and the Building of Socialist Spiritual Civilization"]

[Text] A smooth-running commodity economy makes possible a faster expansion of the forces of production. This is a historical fact in many developed countries in the world and a fact which is being acknowledged by more and more people. [paragraph continues]

However, can the commodity economy promote cultural and ideological progress? People cannot reach unanimity on this question.

The relationship between promoting socialist cultural and ideological progress and developing a socialist commodity economy is an issue which must be thrashed out. Our economy is now moving toward the commodity economy in an overall way. This will certainly bring about profound changes in our economic foundation as well as in many other fields including social ideology. The development of new concepts places on us a heavy task in building a socialist society with an advanced culture and ideology.

Being influenced by unfavorable conventional theoretical views and certain rigid economic patterns, for a long time in the past our country practiced mainly the "product economy" characterized by direct planned production, allocation and distribution. During that period of time, all economic activities of our country were confined by state plans and the economic activities of state and collective enterprises were curbed by plans from higher authorities. Farm production engaged by hundreds of millions of peasants was also limited by state plans and their major products had to be sold to the state according to plan. The over-centralized economic system separated planning from market, chilled the enthusiasm of different quarters and failed to infuse our economy with vitality. As a result, the superstructure and ideology of our country had to meet the needs of such an economic foundation, foster the idea that everything in the whole society must accord with state plans, strengthen centralized and unified leadership, and protect over-centralization of state power. Under such circumstances, it was impossible to stress the initiative in economic construction, democracy in political life, and equality and freedom relating to them. In addition, our theoretical, ideological and judicial work were all subordinated to this. Everything repelled the commodity economy and unsuitable concepts predominated our society.

Now the actual conditions of our country have greatly changed. The most noticeable and far-reaching change is that our economy is quickly moving toward the commodity economy in an all-round way and the socialist commodity economy is indispensable to the realization of our socialist modernization. One of the inherent requirements for the socialist commodity economy is that we must build a society with an advanced socialist culture and ideology. Ignoring this inherent requirement and failing to conscientiously study how to accord our effort to promote socialist cultural and ideological progress with the development of the commodity economy will make our guiding ideology go counter to the objective law of social development in this aspect. If we see new problems arising in the new historical period with conventional views, we will find the commodity economy unreliable and unsatisfactory. This will surely hamper the development of the socialist commodity economy.

To discard conventional concepts, what is most important is that we must make the whole society acknowledge and welcome the socialist commodity economy. Since the 3d plenary Session of the 12th CPC Central Committee, facts have proved that the development of the socialist commodity economy has vigorously promoted socialist cultural and ideological progress -- over the past few years, the development of the commodity economy has quickly expanded the forces of production and further manifested the superiority of the socialist system, thus increasing the confidence of more and more people in socialism.

-- Thanks to the development of the socialist commodity economy, more and more people have discarded the concepts of small production and product economy and broken the shackles of "leftist ideology." Instead, they have been imbued with a series of new concepts such as the concepts of a socialist market, competition, economic results, and enterprising spirit.

-- The development of the socialist commodity economy has helped workers and management personnel of enterprises strengthen their sense of being masters of their own affairs, their sense of collectivism, and their sense of labor and sparked their enthusiam and creativity in attaining prosperity through hard work.

-- The socialist commodity economy has created material conditions for building a socialist society with an advanced culture and ideology and facilitated the development of cultural, educational and scientific undertakings.

-- The development of the commodity economy has helped cultivate and strengthen the sense of democracy, equality and freedom in society.

-- The development of the socialist commodity economy has futher strengthened our legal system. In the course of developing the commodity economy, the state can enact legislation for relations involving the commodity economy and for economic activities and can standardize and guide economic activities according to law so that economic activities can be protected by the law.

-- The development of the socialist commodity economy has also promoted progress in our way of life. To build a scientific and progressive way of life is one of the major aspects in promoting socialist cultural and the ideological progress and has a positive influence on social and economic development.

The development of the socialist commodity economy also has an important influence on the guiding ideology for building the party in the new historical period. To serve the people wholeheartedly is the purpose of our party. This purpose will not change for a long time to come, but its specific content varies at different periods of time. At the present stage, only by vigorously developing the socialist commodity economy will we be able to attain the goal of making people prosperous and the country strong. To address the problem of serving the people in the new historical period, we must therefore carry out reform heart and soul, vigorously develop the socialist commodity economy and work hard to make the people prosperous and the country strong. The exemplary and vanguard role of party members in the new historical period should be played in such a way.

In building a socialist society with an advanced culture and ideology, the basic task is to help people to become well educated and self-disciplined socialist citizens with lofty ideals and moral integrity and to raise the ideological and ethical standards of the nation as well as its educational and scientific levels -- all in the interest of socialist modernization. However, the education in ideals and moral integrity, the education in democracy, legality and discipline and the education in science and culture are all carried out along with the development of the commodity economy. Such being the case, we must devise solutions to new problems that people are confronted with in the course of carrying out reforms, opening up to the outside world and developing the socialist commodity economy. Otherwise, commodity production and commodity exchange practiced by the people in the new historical period cannot yield good results.

For example, our lofty ideal is to build communism, but at present and in a historical period of considerable length to come, we will develop the commodity economy. It is, therefore, necessary for us to explain clearly the relationship between the development of the commodity economy and the ultimate goal of communism. In the past we equated the commodity economy with capitalism; at the least, this was a misunderstanding. Now we must emphasize that the vigorous development of the socialist commodity economy can expand the forces of production to the full and greatly enrich material wealth in society so as to create material conditions for applying the communist principle of distribution -- "from each according to his ability, to each according to his needs." The present common ideal cherished by the people of all our nationalities is to build a socialist society with Chinese characteristics and a socialist modern country with a high degree of civilization and democracy. The only way toward the common ideal is to continue carrying out reform, opening up to the outside world and energetically developing the commodity economy.

Moral integrity is also related with the commodity economy. The most sensitive problem is whether competition is consistent with morality and how to make the two consistent with each other. Some people always doubt whether we can keep competition in step with morality. In the past, when we adopted the practice of the "iron rice bowl" and the "big pot" and the practice of egalitarianism, we deemed these practices of seizing the fruit of other's labor as being moral. Now we promote progress of the whole society by means of socialist competition, and why should we think this is immoral? In the course of competition, of course immorality may appear in certain aspects and more unhealthy tendencies may appear at the initial stage of developing the commodity economy. Undoubtedly these do not accord with the socialist commodity economoy and should be restricted by socialist spiritual civilization and the socialist legal system, and will gradually disappear along with the further development of the socialist commodity economy.

To foster the new socialsit men is the basic demand for promoting socialist cultural and ideological progress and is vital to our four modernizations. In promoting socialist cultural and ideological progress, if we can have the whole society fully understand the relationship between the issue and the socialist commodity economy and if we can cultivate a series of new concpts to meet the needs of the socialist commodity economy, we will certainly expand the forces of production at a faster pace.

STATISTICAL UNITS SERVE PARTY, STATE LEADERS

OW110456 Beijing XINHUA Domestic Service in Chinese 0242 GMT 9 Nov 86

[Text] Beijing, 9 Nov (XINHUA) -- Statistical departments in our country are noticeably increasing their informational services for party and government leaders as well as people in other quarters. Statistical information is now becoming a kind of common wealth for society.

Since last year, the State Statistical Bureau has provided the party Central Committee and the State Counci with more than 600 kinds of statistical information and analytical reports, over 280 of which were supplied from January to August this year. In the past 2 years, some major problems have occurred in our national economy, such as our society's total demand outstripping its total supply, serious cases of reselling means of production at a profit in some localities, a sharp decrease in the acreage devoted to grain crops in some areas last year, and a relatively rapid increase in population this year.

Statistical reports have promptly reflected such problems, attracting the attention of central leaders. Thus, these statistical reports have played a role as an "alarm bell" in calling for strengthening macroeconomic control.

Statistical departments have made efforts to strengthen their functions in providing social services and have taken the initiative in supplying information to people in various fields in order to make things convenient for them in work and daily life. While only a small percentage was published in the past, now more than 90 percent of macroeconomic data is published.

STATISTIC BUREAU REPORTS PEASANT INCOMES RISING

OW101617 Beijing XINHUA in English 1556 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) — The income of Chinese peasants is continuing to rise even after a seven-year period of steady increase, a State Statistics Bureau official said here today.

According to a sample survey of 66,900 rural households in 18 provinces and autonomous regions, the cash income of peasants in the first nine months actually increased by 6.2 percent.

The net income of peasants per capita went up by an average of 16.9 percent a year between 1979 and 1985, the official said.

Experts in rural economy consider that China's peasant households need to rearrange their economic management so as to pave the way for the further development of commodity production.

The experts analysed that the weak foundation of primary industry in the rural areas and the unstable development of secondary and tertiary industries might be factors directly affecting the future earning ability of peasants.

Peasants' cash income from secondary and tertiary industries in the first nine months of this year dropped to 17.6 percent from 49.6 percent in the same period last year.

NONGMIN RIBAO ON DEEPENING RURAL REFORM

HK100907 Beijing NONGMIN RIBAO in Chinese 31 Oct 86 p 1

[Commentator's article: "The Primary Task in the Rural Areas Is To Deepen the Reforms"]

[Text] More than a year has passed since we began the second step of the rural reform. At present, all undertakings in our countryside are continuing to develop. With general adoption of the output contract responsibility system, peasants have gained self-determination power in their production. The rural economy has been changing to a commodity economy, and more and more rural products have been put on the market. [paragraph continues]

The economic elements and operations norms in the countryside have been diversified, and this has fully exploited local and personal advantages. The farming industry and other rural economic undertakings have been developed, and peasants have increased their incomes. All this shows that the rural reforms in our country have achieved remarkable results.

While fully affirming the achievements of our reform we do not mean that the rural reform has almost been completed; instead, we are still facing arduous tasks. The reform measures which we have adopted need a whole set of follow-up measures to support and perfect them. With the development of the new situation, we still need to adopt and try new reform measures. In particular, we should notice that it is necessary to gradually regularize and standardize various reform measures, further ascertain people's rights and duties under the new system, and draw clearer policy line to distinguish rights from wrongs. For this purpose, we will have to do a great deal of work.

The output contract responsibility system based on household operation is a great creation of the Chinese peasants and must not be shaken. However, we should not relax the overall management of land which has been contracted to peasant households. In some cases, we should conduct necessary coordination and adjustment of the contracting of such resources as fruit orchards, forests, and enterprises in light of the changes in markets. It is incorrect if we completely give up the management of such things. With the development of the commodity economy and the further specialization and socialization of our production, we should properly promote the combination of the household operations in the whole process of production or in some production links. The initiative of both individual households and household combinations should be aroused; various forms of economic association should be developed; and efforts should be made to develop new forms of the cooperative economy with a variety of economic elements, operation forms, and social services.

The main part of a commodity economy is the markets. Peasants are now more and more dependent on the markets. At present, the cost of commodity movement conducted by the state commercial departments is too high, and the handling capacity of individual traders is limited. This cannot meet the needs of the development of the rural commodity economy. So, it is necessary to open new commodity circulation channels and to establish the tertiary commercial industry by organizing peasants to engage in the work of trading commodities so as to form a manifold and multitiered commodity circulation network. It is necessary to combine production with circulation and use market mechanisms to command the production of the millions of peasants by adjusting the methods of purchasing and selling various rural products in light of their characteristics and roles. An important point in this regard is to clearly find out about the interest relations in market activities so as to work out pertinent solutions. In the period of transition from an old system to a new system, there may be some conflict of interests. We should not be afraid of such things, nor be at a loss, and should not pass the buck to each other; instead, we must work in a down-to-earth manner.

To open rural markets, we should not merely pay attention to the exchange of farm products, we should also study the establishment of a monetary market and the movement of labor force. At present, funds in the countryside are mainly moving vertically, and the horizontal movement of funds is not quite developed. So we should strengthen the horizontal movement of funds by taking such measures as setting up an association of credit cooperatives in a county to offer credit at floating interest rates. [paragraph continues]

Without floating interest rates, it will be impossible to make funds move flexibly and smoothly. It is necessary to protect and develop mass monetary organizations. People should be encouraged to set up joint-stock companies and develop the joint-stock economy. More financial support should be offered to township enterprises. Now there are large amounts of idle funds scattered in the countryside. We should make full use of them through enlivening the monetary markets. Everyone knows that the rural labor force is undergoing change. Throughout the country, able craftsmen are moving from the eastern provinces to various western provinces; and labor is also moving from western areas to the east. This is also the case in every province or every county. Labor force is moving from mountainous areas to plain areas and from poor areas to rich areas. We should regard this as a good phenomenon. Without such a movement of labor, surplus manpower will be wasted, and redundant rural workers will not be able to find jobs and increase their incomes. With the movement of funds and labor, the funds can be used in the most reasonable way, and the labor force can move to places where manpower is needed, thus forming the best combination of various production factors and achieving the best economic results.

We may encounter many difficulties in the course of perfecting all the reform measures, but no matter what happens, we must continue to deepen our reforms and must not relax our efforts, still less can we stop.

ARMY SCHOOL IN HEBEI'S SHIJIAZHUANG PROFILED

HK101056 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 44, 3 Nov 86 pp 18-19

[Article by Xu Jingyue (1176 0079 6460) and Chu Yin (5969 6892): "A Cradle for Training Qualified Military Commanding Officers -- a Visit to Shijiazhuang Ground Force School"]

[Excerpts] Bo Ya, who was straightforward, uninhibited, and full of power and vigor, was a descendant of the Qing aristocrats in China. He graduated from Qinghua University, a famous institution of higher learning, in 1985. After his graduation from the university, he determinedly joined the Army, and studied again at the PLA Ground Force School. After 1 year of training, he rose from a university graduate into a junior military officer. He said proudly: "This is the first step leading to the fulfillment of my wish to become a general."

The ground force school from which Bo Ya graduated was established in 1977. It is a school for training junior commanding officers. It is the largest PLA Ground Force school with the best teaching equipment and facilities, and the largest number of students. At present, the entire army has established more than 100 institutions and schools for training junior, middle-ranking and senior military officers. The seven major military regions have each an army school for training platoon leaders. The Shijiazhung Ground Force School belongs to Beijing Military Region.

The Chinese military leaders think highly of this ground force school. In June this year, Yang Shangkun, executive vice chairman of the Central Military Commission, reviewed the parade of the graduates of 1986. The students in junior officers' uniforms were daring and energetic. They were grouped into several columns according to their specialties. They passed by the reviewing stand with parade steps. [paragraph continues]

During the parade, Yang Shangkun pointed out for the first time: With the strategic change in the guiding thought for the building of the Army, we should regard education and training of qualified personnel by military schools and institutions as a focal point in our work. He praised the ground force school for successfully training 16,000 qualified junior commanding officers. Some of them had been promoted to be division commanders. He encouraged all persons concerned to build the ground force school, which was called China's "West Point" by foreign visitors, into a key military school in China.

The development of the Shijiazhuang Ground Force School is an epitome of the building of the PLA's institutions and schools. Some 3,900 students of the school are respectively studying in the six specialists of infantry, artillery, reconnaissance, planning and organization, political work, and logistics. The periods of schooling include 4 years for undergraduate level, 3 years for higher educational level, 2 years for secondary vocational level, and 1 year for special training. In 1982, this ground force school successfully trained the first group of junior commanding officers with higher education level for the whole Army. This year it again successfully trained the first group of junior commanding officers with university and college level. Responsible person of the school Liu Yufang told us: Students of the school were recruited from among outstanding soldiers, graduates of senior secondary schools in various localities, and university graduates. Candidates from the first and second groups should pass strict cultural and military examinations. University graduates should enter their names on a voluntary basis, and the school will select the recruit the best. At present, there is a regulation in the PLA that those who have not yet been trained by junior commanding schools like the Shijiazhuang Ground Force School will not be promoted to be middle-ranking commanding officers. Therefore, ardent youths vie with one another to apply for study in military schools. During summer vacation this year, graduates from more than 60 universities and colleges wrote letters to the ground force school to apply for admission. The number of applicants from secondary school graduates is still greater. [passage omitted]

The Ground Force school is very big. Its campus covers an area of 3.6 million square meters. Its school buildings cover a floor space of 240,000 square meters. In the western part of the campus, there are 18 multipurpose training grounds with a total area as big as 300 football fields. The largest tactical training ground for students' on-the-spot training is located at the eastern foot of the Taihang Shan. The positions were erected in accordance with the needs of actual combats. There are more than 50 kinds of defense works, including trenches, blindages, and so on. In the forward positions, there are anti-tank and anti-infantry mixed minefields, and various kinds of blocks such as anti-tank nets, and so on. Two military units can simultaneously conduct their tactical training on these training grounds. The training grounds which we visited were exactly like battlegrounds. Smoke of gunpowder filled the air, and guns and tanks roared. This created an environment of actual combats so that students could physically and psychologically receive training similar to actual combat.

This is the present-day Shijiazhuang Ground Force School.

PENG ZHEN SPEAKS AT SUNS YAT-SEN MEMORIAL

OW121259 Beijing XINHUA Domestic Service in Chinese 0716 GMT 12 Nov 86

[Text] Beijing, 12 Nov (XINHUA) -- Speech at a meeting held by people from various circles in the capital to commemorate the 120th birth anniversary of Dr Sun Yat-sen. [Dated] (12 November 1986) [By] Peng Zhen

Comrades, Friends, and Distinguished Guests:

Today, the people from various circles in the capital gather here to solemnly commemorate the 120th birth anniversary of Dr Sun Yat-sen. We extend a warm welcome to compatriots from Taiwan, Hong Kong, and Macao, Overseas Chinese, and relatives of Dr Sun Yat-sen, who have made a special trip to Beijing to attend this commemorative activity. We also exctend a warm welcome to foreign friends here today.

Dr Sun Yat-sen is a great national hero, patriot, and pioneer of the Chinese Democratic Revolution. He fought unyieldingly all his life for the independence and liberation of the Chinese nation, and his outstanding revolutionary achievements ushered in a new era in Chinese history. The Chinese Communists and people of all nationalities in China have always had great esteem for, and cherished a profound memory of, him.

In remembering Dr Sun Yat-sen, the first thing that comes to mind is the 1911 Revolution he led -- the first major event in 20th-century Chinese history. As early as the turn of the century, he noticed the acute national and penetrating social contradictions facing old China, and realized the mounting calamities suffered by the Chinese people under the oppression of the imperialist and feudal forces. Voicing the people's aspiration for liberation, he toured various places to advocate revolution, and, with a clearcut revolutionary stand, he waged a tit-for-tat struggle with the reformists. His political program, calling for the use of armed force to overthrow the Qing Dynasty, and establish a republic in its stead, and his doctrine of the Three Principles of the People, namely, nationalism, democracy, and the people's welfare, became a powerful ideological weapon for transforming and regenerating China at that time. The 1911 Revolution toppled the corrupt Qing Dynasty, ending 2,000 years of autocratic monarchy in China, and raised the banner of democracy and republicanism. It also dealt a blow at the imperialist aggressive forces. All this paved the way for the subsequent growth of China's Democratic Revolution. However, the task against imperialism and feudalism was not completed in the 1911 Revolution, and encountered repeated setbacks. Under an extremely difficult situation, Dr Sun Yat-sen pressed forward with indomitable spirit and continued to advocate revolution, despite the setbacks, thereby displaying the dauntless heroism of a revolutionary.

Dr Sun Yat-sen was great in that not only did he lead the 1911 Revolution, but he also made a point of advancing with the times and keeping in the forefront of events. Enlightened by the victory of the October Revolution, the spread of Marxism, and the establishment of the CPC and advent of China's proletarian class, which brought about fundamental changes in China and the world, he saw new forces and new hopes. He accepted the help of the CPC and worked out the three major policies of alliance with Russia, cooperation with the Communist Party, and assistance to the peasants and workers, thus developing his Three Principles of the People, reorganizing the Kuomintang, and injecting new life into his party. The mighty revolution carried out on the basis of cooperation between The Kuomintang and the Communist Party for the first time between 1924 and 1927 pushed the Democratic Revolution to new heights.

Despite its twists and turns, cooperation between the Kuomintang and the Communist Party greatly promoted the Chinese Revolution. [paragraph continues]

It was precisely due to the first cooperation that high revolutionary tides swept throughout the country, facilitating the mopping-up operations against the Northern Warlords, and winning the victory of the Northern Expedition. Unfortunately, such an excellent situation of cooperation between the Kuomintang and the Communist Party was destroyed soon after the Northern Expedition. The Chinese Revolution encountered serious setbacks. The new warlords' reactionary rule and war against the people provided the Japanese imperialists an opportunity to invade China and inflicted mounting calamities on the Chinese people, who had to endure the hardships of a country divided and homeland occupied by the enemy. At the crucial moment concerning the survival or destruction of the nation, and at the strong urge of the people throughout the country, the Kuomintang and the Communist Party cooperated for the second time. The National United Front against Japan, formed on the basis of cooperation between the Kuomintang and the Communist Party, unified patriotic forces of all classes, circles, and political parties, fired the enthusiasm of hundreds of millions of people in resisting Japan, saved the country, and enhanced their confidence in the victory of struggle for national liberation. After an 8-year bloody war waged by troops and people throughout the country and with assistance from the allies in the Anti-Fascist War, complete victory of the first war against aggression in modern Chinese history was finally won. The victory greatly promoted national awakening and unity and laid a firm foundation for the final victory of the democratic revolution. If efforts had been made to continue to maintain and develop KMT-CPC cooperation and build the country peacefully and democratically in accordance with the sincere wish of the Chinese Communists, various democratic parties, and the people of various nationalities throughout the country after the victorious end of the War of Resistance Against Japan, the Chinese people would at least have avoided the massive bloodshed and sacrifice and the motherland would not have still remained divided. History since the first KMT-CPD cooperation irrefutably shows that a KMT-CPC cooperation is conducive to national progress, to the prosperity of our country, and to the development of the two parties.

The objective pursued by Sun Yat-sen was to build China into an independent, democratic, strong, and prosperous country. He emphasized the need to steady confidence in our nation and to carry forward its innate creativity. He advocated "changing closed-doorism into open-doorism," learning from advanced foreign experience, and seeking external assistance to help overcome difficulties in China's economic construction. He was convinced that, when the people have power in their hands after a successful revolution, they, after making arduous, sustained efforts, can surely rid our country of poverty and backwardness, catch up with the advanced countries in the world and "run neck and neck with them."

Sun Yat-sen's brilliant thinking and proposition on revolution and construction are a valuable spiritual legacy to us, a legacy inspiring our whole nation in its march forward. Carrying on Sun Yat-sen's revolutonary thinking and cause, the CPC has lead the Chinese people to realize the ideals which he pursued, and in many respects, has accomplished much more than he expected. We have won in the New Democratic Revolution and founded the People's Republic of China. The Chinese people have risen to their feet, achieved the transition to socialism, and established a socialist system. Despite twists and turns in the course of our advance, we have after all made magnificent achievements in socialist construction. An independent and fairly comprehensive socialist economic system has been largely set up in a country which is, as yet, economically and culturally backward, but whose economic strength has now grown significantly. Our educational, scientific, and cultural undertakings have developed rapidly, and we have attained advanced world levels in some branches of sophisticated science and technology. In reform of our economic structure, we have scored achievements attracting worldwide attention. Our socialist democracy has extended steadily, our socialist legal system systematically improved and the material and cultural life of our people notably bettered. [paragraph continues]

With the implementation of an independent foreign policy of peace and the policy of opening to the outside world, China's influence in international affairs is growing, and its international status has risen considerably. Sun Yat-sen had predicted: "Once our great goal of renovating China is attained, the dawn of a new epoch will appear in our beautiful country and the entire mankind will share an even brighter future." His prediction is becoming a reality. Recalling the past and comparing it with the present, we can't help having a high respect for Sun Yat-sen's foresight and sagacity which go along with world trends and meet the people's needs, for his indomitable struggle to initiate a democratic revolution, and for his great contributions. In the past 30 years and more since the founding of the People's Republic, we have commemorated him every year. A huge portrait of him is erected in the middle of Tiananmen Square on our National Day every year. We have published the "Complete Works of Sun Yat-sen." All this has been done to make the people throughout the country forever remember Sun Yat-sen's great revolutionary exploits and thinking.

Dr Sun Yat-sen consistently stood for safeguarding the unification of the country. In all eagerness, he once said: "China is a unified country. This concept has been imprinted in the minds of the Chinese people throughout history. It is precisely due to such awareness that, in spite of calamities the nation has encountered, we can preserve ourselves as a country." He added: "'Unification' is the hope of all Chinese people. Only in a unified country can the people enjoy happiness, otherwise they have to suffer hardships." In commemorating Dr Sun Yat-Sen's 120th birth anniversary, every Chinese cannot but review and think over his teachings. Regretcably, Taiwan remains separated from the mainland to this day. To change this unfortunate situation and complete the great cause of the reunification of our motherland as soon as possible is an honorable mission history hs entrusted to this generation of the Chinese nation. It is obvious that the current Chinese and world situation is developing in a direction favorable to the motherland's reunification. China's reunification represents the inexorable trend of the times and the common desire of the people. The way out for Taiwan lies in national reunification, and the future of the Kuomintang hinges on its cooperation with the Communist Party. All political parties and individuals should hold themselves responsible to history and the nation and, conforming with the popular feeling, contribute to the motherland's reunification. Whoever obstructs national reunification will be condemned by history.

For the past several years, wa have repeatedly and solemnly expressed our sincere desire for peaceful rrunification. We have, on numerous occasions, made public to the world our principles and policies on solving the Taiwan issue. On 30 September 1981, Chairman Ye Jianying made a statement, in which he put forward, in explicit terms, a 9-point policy for realizing peaceful reunification. He said: "We propose that talks be held between the Communist Party of China and the Kuomintang of China on a reciprocal basis, so that the two parties will cooperate"; "after the country is reunified, Taiwan can enjoy a high degree of autonomy as a special administrative region, and can retain its armed forces"; "Taiwan's current socio-economic system will remain unchanged, so will its way of life and its economic and cultural relations with foreign countries"; "We sincerely welcome people of all nationalities, public figures of all circles, and all mass organizations in Taiwan to make proposals and suggestions regarding affairs of state through various channels and in various ways." Summarizing the 9-point policy, Comrade Deng Xiaoping put forward an important concept of "one country with two systems" in September 1982. Article 31 of the "Constitution of the People's Republic of China," which was approved by the Fifth Session of the Fifth National People's Congress of the People's Republic of China in December 1982, says: "The state may establish special administrative regions when necessary. The systems to be instituted in special administrative regions shall be prescribed by the National People's Congress in the light of specific conditions." [paragraph continues]

In formulating the Constitution, we decided that the establishment of special administrative regions in China is to institute "one country, two systems," thereby prescribing in the basic law of our country that Taiwan can enjoy a high degree of autonomy as a special administrative region of the People's Republic of China. The Constitution, which must be observed by all political parties and citizens, is the basic guarantee for instituting "one country, two systems."

By instituting "one country, two systems," long-separated kinsmen can be reunited, the abundant resources on the 9.6 million square kilometer land can be extensively utilized, and the 1 billion sons and daughters of the Chinese nation can bring into full play their wisdom and talent, while the current socio-economic systems and lifestyles on the two sides of the Taiwan Strait remain unchanged. With the ultimate accomplishment of the great cause of reunification, a modern and democratic China will make still greater contributions to the peace and progress of mankind.

The great cause of national reunification will certainly be achieved through the common efforts of all Chinese people. We place our hopes on the Kuomintang authorities in Taiwan; in particular, on the 19 million people there. Needless to say, the Taiwan issue is a complicated one left over from history. However, with many favorable factors available, a golden opportunity has now presented itself for the Kuomintang and the Communist Party to carry out a third round of cooperation in order to realize reunification of the country. The people on both sides of the strait stick to the stand that "there is only one China," that "the movement for the independence of Taiwan must be opposed," and that "China must be reunified." All this constitutes a most important common point. The entire Chinese people, including our compatriots in Taiwan, Hong Kong, and Macao and Chinese nationals residing abroad are, without exception, concerned with the reunification of their motherland, and eagerly desire an early end to national separation. Herein lie the real forces for reunification. For the sake of national regeneration and the people's happiness, it is high time for the Kuomintang authorities in Taiwan to take a step forward. A thousand-li journey begins with a single step. It is better to take a first step than none at all. As long as they respect the desire of the people for national reunification, the Kuomintang authorities can do a lot in many respects. For instance, it is not difficult to restore trade exchanges, and exchange of mail, air, and shipping services between Taiwan and the mainland. It requires no more than making up their minds. The more they procrastinate, the more passive their position will be. The current key is for the Kuomintang and the Communist Party to start negotiations on an equal footing. We sincerely hope that Taiwan will send representatives to make contact with us at locations they consider appropriate, in order to exchange views on issues of concern to both sides. Only by doing something solid can the wishes of the people in the whole country be fulfilled. At the same time, we sincerely hope to exchange views with all Taiwan's other parties and groups, mass organizations, and public figures standing for the reunification of the motherland.

Here, I would like to point out that, in recent years, some people with ulterior motives have openly or secretly supported "the independence of Taiwan," and engaged in activities advocating "two Chinas" or "one China, one Taiwan." They are bent on obstructing and undermining China's peaceful reunification. We have closely watched such activities, wherever they come from. The Taiwan issue is an internal affair for our country. We resolutely oppose all acts interfering in our country's internal affairs and obstructing our national reunification.

Comrades and friends! The slogan of "regenerating China," put forward by Dr Sun Yat-sen 90 years ago, has a new meaning. [paragraph continues]

We shall spend the next several decades building China into a modern socialist power. The road is long, and the task arduous. In the past half century, many Communists, Kuomintang members, and other patriots have made great sacrifices for the revolution and construction. Now, more than ever before, all patriotic forces should make their contribution to the country's modernization. We must achieve the greatest unity by unifying both communists and non-Communists, Marxists and non-Marxists, atheists and religious people, and compatriots at home and abroad; in short, all patriots, by unifying all those who can be united to rally in carrying on the revolutionary and patriotic spirit of Dr Sun Yat-sen, and in striving for the common goal of the peaceful reunification and prosperity of China!

WANG MENG, ULANHU OPEN SUN YAT-SEN EXHIBITION

OW111628 Beijing XINHUA in English 1456 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- An exhibition marking the 120th birthday of Dr. Sun Yet-sen (1866-1925), forerunner of the Chinese Democratic Revolution, opened th in the Museum of the Chinese Revolution here.

The exhibition is sponsored by the Central Committee of the Chinese Kuomintang Revolutionary Committee and the Museum of the Chinese Revolution.

Wang Meng, minister of culture, presided over the opening ceremony of the exhibition, and Ulanhu, vice-president of China, cut the ribbon for the exhibition.

On display are over 800 exhibits, including personal relics and photographs. In eight sections, the exhibits illustrate Dr. Sun's deeds in various historical periods.

Relatives of Dr. Sun Yat-sen attended the ceremony from abroad and Hong Kong and Macao.

Also present were Zhu Xuefan and Bainqen Erdini Qoigyi Gyaincain, vice-chairman of the Standing Committee of the National People's Congress, and Yang Jingren and Kang Keqing, vice-chairmen of the National Committee of the Chinese People's Political Consultative Conference.

This is the biggest exhibition of Dr. Sun's life since the founding of New China in 1949.

FUJIAN USES WORLD BANK LOAN FOR AGRICULTURE

OW111242 Beijing XINHUA in English 0833 GMT 11 Nov 86

[Text] Fuzhou, November 11 (XINHUA) -- Fujian Province in southeast China has invested a 45 million dollar World Bank loan in fruit and poultry farming and in expanding its aquatic products industry, officials said today.

The subtropical province had been hampered by lack of resources to develop its hilly areas and shallow waters, suitable for cultivating fruit and aquatic products such as prawns and seaweed.

Including the World Bank funds, Fujian has received a total of 386 million yuan (104 million U.S. dollars) in loans this year.

The World Bank sent a team of experts to the province last year and the low-interest loan was granted at the beginning of this year.

Provincial officials said they have invested the loan money in 354 projects. One of the largest is a chicken farm here in the provincial capital.

SHANDONG SECRETARY MEETS NINGXIA DELEGATION

SK120458 Jinan Shandong Provincial Service in Mandarin 2300 GMT 11 Nov 86

[Text] A 13-member economics delegation of the Ningxia Hui Autonomous Region, headed by Hei Boli, chairman of the Ningxia Hui Autonomous Regional People's Government, has come to our province for an investigation and visit. On the same evening the delegation arrived in Jinan, Liang Buting, secretary of the provincial party committee; Governor Li Changan; and Vice Governor Ma Shizhong came to the Nanjiao Hotel to visit comrades of the delegation.

On the morning of 11 November, Vice Governor Ma Shizhong and responsible comrades of the pertinent provincial departments and Jinan City briefed the delegation members on the province's economic development situation. During the visit, the two sides will conduct talks on the specific items for cooperation.

SHANGHAI LEADERS JOIN WORK INSPECTION

OW120040 Shanghai City Service in Mandarin 0100 GMT 8 Nov 86

[Text] Deputies to the municipal People's Congress and some NPC deputies began an inspection of Shanghai's work in eight areas today. Of the 985 municipal People's Congress deputies, 693 have joined the inspection, an all time high figure. Among them are a record number of leading cadres, including Rui Xingwen, Jiang Zemin, Hu Lijiao, Shu Wen, Wang Jian, Zuo Ying, Ni Tianzeng, Ye Gongqi, and Xie Lijuan.

The inspection will focus on the demands for building the two civilizations, making reforms, opening to the outside world, implementing the Constitution, laws, and regulations, and major issues concerning the people's livelihood.

The eight areas include 1986 industrial production and economic efficiency; assimilation of overseas capital; 1986 production and supply of nonstaple foodstuffs and milk; 1986 housing construction, construction of public utilities in new residential areas, and expansion and construction of roads; results in the implementation of plans for 1986 for greening work, environmental protection, natural gas, and public transportation; and implementation of the policies regarding traditional Chinese medicine, the science and technology market, and secondary vocational and technical education. The inspection will end in early December.

SHANGHAI SECRETARY, MAYOR ON URBAN DEVELOPMENT

OW070119 Shanghai City Service in Mandarin 0100 GMT 6 Nov 86

[Excerpts] The curtain has been raised on the implementation of the overall urban development plan for Shanghai Municipality. The municipal party committee and government held a meeting yesterday of cadres from the entire city to convey the State Councils' reply on Shanghai's overall urban development plan and the guidelines contained in talks by leading comrades of the central authorities, and to mobilize all quarters of the entire city of exert concerted efforts in systematically translating Shanghai's grand blueprint into reality.

Huang Ju, deputy secretary of the municipal party committee and vice mayor, presided over the meeting. Vice Mayor Ni Tianzeng conveyed the State Council's reply and the guidelines of talks by leading comrades of the central authorities.

Major Jiang Zemin give a long report. He said that the party Central Committee and the State Council have approved the strategy for Shanghai's economic and cultural development, as well as an overall urban development plan for Shanghai, which are all programmatic documents aimed at transforming and revitalizang the city. [passage ommitted]

Mayor Jiang said that Shanghai's urban construction must be geared to world development, the 21st century, and China's modernization program. The central theme of the urban development plan is a rational layout of the city. Its emphasis is on strengthening the city's basic construction to improve its investment environment, as well as that of daily living, for its residents. He stressed that implementation of the overall urban development plan is a long task of great historical significance, calling for the continued efforts of several generations. The speed of development depends on our efforts and achievements in enlivening the economy. At present we must stress several tasks. First, we must study and propagate the State Council's reply and the overall urban development plan, enhance our understanding, unify our thinking, and strengthen our confidence. Second, we must strengthen leadership, begin implementing the plan, and continually perfect the overall development plan in the course of practice. Third, we must mobilize all people in the city to participate in urban construction and accelerate its progress. Fourth, we must do a good job in making full use of foreign capital and in raising and utilizing domestic funds. Fifth, we must accelerate the formulation and perfection of laws, regulations, policies, and measures related to urban construction.

At the conclusion of the meeting, Rui Xingwen, secretary of the Shanghai municipal party committee, spoke. He pointed out that to fulfill the task of urban modernization, it is necessary to realize the authoritativeness and the binding nature, of the overall urban development plan. Departments concerned must work out, as soon as possible, regulations and rules for the implementation of the plan so that all construction projects are subjected to the restrictions of the overall urban development plan and its related laws and regulations. [passage ommitted]

GUANGDONG SECRETARY REPORTS ON SPIRITUAL CIVILIZATION

HK090147 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 8 Nov 86

[Excerpts] This afternoon, the Propaganda Department of the provincial party committee, the party committee of the organs under the provincial party committee and government, and the provincial party committee's lecture group held a report meeting on studying the CPC Central Committee's resolution on guiding principles for building socialist spiritual civilization. Over 1,000 party-member cadres heard a report by Lin Ruo, secretary of the provincial party committee, providing guidance on reform, opening up, and building spiritual civilization.

Comrade Lin Ruo said: The central resolution on building spiritual civilization is an extremely important document. [passage omitted] We must profoundly understand this resolution and apply it to guide our work for a relatively long time to come.

Comrade Lin Ruo also answered questions raised by a number of cadres in the course of study.

HENAN OFFICIAL UGRES PROPER TRAINING FOR WOMEN

HK071037 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 6 Nov 86

[Text] On 4 November, at the provincial conference to exchange experiences in training and promoting women cadres and rationally solving the problems of recruiting women workers and students, which was jointly held by the provincial party committee Organization Department, the provincial Labor and Personnel Department, and the provincial Women's Federation, provincial party committee Deputy Secretary Zhao Di stressed that we must further eliminate the vestiges of the feudal ideas, heighten our understanding, emancipate our minds, and do well in training women cadres and recruiting women workers and students.

At present, the province's number of women cadres only accounts for 20.7 percent of the total number of cadres, which is lower than the national average level. The proportion of women cadres in various leading groups is also very small, and still less is the number of women cadres in charge of political work. When recruiting workers and students, many localities and units select as few as possible or even no women workers and students under various pretexts. It has become more prominent for women graduates and students to face difficulties in employment.

Comrade Zhao Di said: We must first solve problems in ideology and discard the outdated feudal ideas of regarding men as superior to women. We must fully understand the social status of women, as well as their importance in building the two civilizations. We must correct the thinking that views women's physiological characteristics as defects and weak points, and that views women's social duties in the process of human and national growth as extra burdens. We must greatly improve the political quality, scientific knowledge, and educational background of women, so as to cultivate them into a new generation of people who have ideals and ethics, are educated, observe discipline, and work hard for the four modernizations.

Comrade Zhao Di pointed out: Party committees at all levels must include on their agenda the work of training and promoting women cadres, and strive to promote within next year at least one to two women cadres to the leading groups at prefectural, city, county, and township levels. They should strive to have women magistrates or secretaries in all countries and townships.

The party, government at all levels, labor and personnel departments, and recruitment units must seriously implement relevant policies and regulations of the CPC Central Committee, the State Council, and the provincial party committee and government on recruiting workers and students, as well as accommodation distribution. They should really protect the legitimate rights of women and manage to treat both sexes equally. All departments concerned must provide support in the areas of lightening the burden of housework duties on women and improving women's employment prospects. They should actively run trades that directly serve people's daily life, and liberate the women's labor force. Organization, labor and personnel, and other departments, as well as women's federations, at all levels must make concerted efforts in doing well in the training and promotion of women cadres, and rationally solving problems in recruiting women workers and students.

HUNAN SECRETARY ATTENDS RALLY FOR ASIAD ATHLETES

HK071422 Changsha Hunan Provincial Service in Mandarin 0100 GMT 7 Nov 86

[Excerpts] Yesterday, morning, colored flags were hung and it was very lively in the Great Hall of the Hunan Institute of Physical Culture and Sports Technology. A mobilization rally to celebrate the victory of our province's players taking part in the Asiad and to greet the sixth national sports meet was ceremoniously held here. Attending the rally were leaders of the provincial party, government, and Army, including Mao Zhiyong, Liu Zheng, Wang Xiangtian, Jiang Jinliu, Xia Duanzhong, Liu Yanan, Luo Qiuyue, and Xu Junhu; seven players who won gold medals at the Asiad and their parents and coaches who had introduced them to the field of sports; and 1,000 players. Eight players, one coach, and one referee from our province took part in the 10th Asiad held in South Korea. [passage omitted]

At the rally, on behalf of the provincial party committee and provincial government, Wang Xiangtian, provincial party committee Standing Committee member and vice governor, extended warm greetings to the players who won gold medals at the Asiad and called on the comrades of all trades, professions, and fronts throughout our province to learn from the players who had brought credit to our motherland and won honor for our province. He also hoped that the players would score still better achievements at the national sports meet next year. [passage omitted]

Finally, leading comrades of the provincial party and government awarded silk banners or bonuses to the players who won gold medals, coaches who had introduced them to the field of sports, their prefectures and cities, their schools of physical culture and sports, and their schools.

BRIEFS

SHENZHEN SIGNS IMPORT AGREEMENTS -- To date, Shenzhen City in Guangdong Province has signed 600 agreements combining advanced technology advanced and internal economic associations with 16 countries and regions, and with 13 provinces and municipalities and 13 agricultural scientific research units at home. The amount of funds actually invested is HK$640 million and 54 million yuan. The area of land actually used covers 149,000 mu. Through combing the import of advanced technology with internal economic associations, Shenzhen has established a system of trade and industrial and agricultural production. Shenzhen's traditional backward agriculture has become modernized. [Summary] [Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 7 Nov 86 HK]

GUIZHOU SECRETARY INSPECTS AUTONOMOUS PREFECTURE

HK070924 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 6 Nov 86

[Text] From 20 October, Hu Jintao, secretary of the Guizhou provincial party committee, spent 12 days inspecting Leishan, Congjiang, Rongjiang, Liping and other 8 counties in the Qiandongnan Miao and Dong Autonomous Prefecture. Wherever he went, he visited factories, farms, schools, and individual operators to conduct investigation. He also earnestly listened to reports by city and county leaders. He gave constructive views and raised demands on the work in the autonomous prefecture. In view of the characteristics in the forest areas of the autonomous prefecture, Hu Jintao stressed that forestry is the mainstay economy of Qiandongnan and that cadres and the masses must gradually deepen their understanding of forestry, establish the idea of large-scale forestry, and pay serious attention to large-scale forestry to make it a success.

1. In addition to woods, there are abundant resources of wild plants in the existing forests, which remain to be exploited and utilized.

2. While ridding ourselves of the concept of selling only timber, we must exploit and utilize the resources of wild plants in a comprehensive way by coordinating cultivation, processing, and marketing, so as to upgrade the commodity value of forest products.

On developing local industry in connection with reality in each county, Comrade Hu Jintao pointed out that each county should base itself on its own natural resources and meet the needs of the market. It should adhere to the principle of developing local industry mainly on a small scale and aim at making people rich. He also requested all localities to support and develop some small enterprises run by collectives and individuals.

Comrade Hu Jintao also made demands on cadres in poor counties. He pointed out that to get rid of poverty, cadres must first have the enterprising spirit of daring to blaze new trails by forging ahead despite difficulties. Second, they must, in connection with practical conditions in their counties, realize the key problems in getting rid of poverty and formulate practical measures, so as to narrow the difference with advanced areas. On the lack of talented people in the rural areas, Comrade Hu Jintao urged all counties to train several hundred of middle school graduates in each county who are unable to enter schools of a higher level each year into local talent for developing the diversified economy. They also may employ some skilled persons from other areas to help exploit local resources and develop the economy.

GUIZHOU SENDS LECTURE GROUPS TO POOR COUNTIES

HK070846 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 5 Nov 86

[Text] In accordance with central instructions and under the arrangement of the State Education Commission, the Organization Department of the provincial party committee, in conjunction with the provincial Education Committee and the party committees of organs directly under the provincial party committee and the provincial government, selected 296 of this year's college graduates from provincial organs to form lecture groups for provincial organs.

The groups will soon set out for 11 poor counties, namely, Hezhang, Panxian, Weining, Conjiang, Ziyun, Luodian, Wangmo, Yanhe, Jianhe, Nayong, and Pijie counties to help with teaching there.

On the afternoon of 5 November, the Organization Department of the provincial party committee, the provincial Education Committee, and the party committees of organs directly under the provincial party committee and government held a send-off rally at the auditorium of the provincial CPPCC Committee. Provincial party, government, and Army leaders Hu Jintao, Shen Yunpu, Liu Ruizhi, Wang Zhenjiang, Xu Caidong, Song Shugong, (Zhang Jizhong) and responsible persons of the relevant provincial departments attended the rally.

Hu Jintao spoke at the rally. He praised the comrades of the lecture groups, saying that their action encourages the good practice of going to the grass roots, to reality, and to poor areas, and fosters the new idea of attaching importance to education and intellectual development. He demanded that the comrades of the lecture groups follow the example of the comrades of the central lecture group to Guizhou and make contributions to transforming and building their hometowns. He expressed the hope that the comrades of the lecture groups, while in the grass roots, would exert their efforts and make due contributions in the great cause of invigorating Guizhou and enriching people.

SICHUAN MEETS ON 'THREE-DIMENSIONAL AGRICULTURE'

HK090249 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 8 Nov 86

[Excerpts] The provincial government convened a provincial meeting on three-dimensional agriculture in Miyi County on 8 November. [passage omitted] The main tasks of the meeting are to sum up, study, and exchange experiences in Miyi's three-dimensional agriculture and in the promotion of ecological agriculture and courtyard economy and the implementation of the spark plan in various parts of the province. The meeting will explore and study how to develop the rural economy and enrich the peasants by relying on science and technology.

Governor Jiang Minkuan spoke at the meeting's opening session. He said: Promoting three-dimensional agriculture is the objective inevitability of developing a commodity economy. Three-dimensional agriculture is a product of the guiding idea for agricultural development and of the change in the major guiding principles. The orientation for future agricultural development is, under the premise of ensuring steady growth in grain production, to vigorously develop all types of industrial crops and other agricultural and sideline products, and promote household industry and sideline production in a big way. Three-dimensional agriculture is the inevitable trend of the switch from self-sufficient and semi-self-sufficient economy to commodity economy and from traditional agriculture to modern agriculture. He called on the peasants to carry out all-round development in light of market requirements, promote comprehensive operations, and stress good results. [passage omitted] In the course of developing the rural economy, it is necessary to establish township and town industries and tertiary industry and speed up the change in the rural labor force. [passage omitted]

Governor Jiang Minkuan put forward the following views on further promoting three-dimensional agriculture throughout the province: Enhance understanding, strengthen leadership, study and popularize advanced typical experiences, do a good job in implementing the spark plan, strive to exploit brainpower, and continually improve the quality of the labor force. [passage omitted]

BEIJING MILITARY REGION REVITALIZES WORK

OW120032 Beijing Domestic Service in Mandarin 0900 GMT 7 Nov 86

[Text] According to a XINHUA NEWS AGENCY report, the Beijing Military Region has appropriately exchanged cadres of leading bodies at the corps level, thereby enabling it to effectively eliminate sectarian bias, whip up cadres' enthusiasm, and bring new vigor to the military region's work. Since last year, the Beijing Military Region has broken through the barriers between various units in readjusting and staffing leading bodies at the corps level. It took into consideration the situation in the whole region before it began extensive cadre exchanges between group armies, between group armies and provincial military districts and military institutions, and between the military region's organs and the troops. More than a quarter of the cadres now working in the leading bodies at the corps level were transferred from other units.

A survey conducted by departments concerned among cadres transferred to new units shows that this measure has brought many changes to these leading bodies and the troops. First, barriers between units have been broken through, so that cadres can now be selected on a broader basis. Second, comrades transferred to new units have generally worked harder and in a more down-to-earth manner. Third, cadres transferred to new units have found it easier to free themselves from the pressures of various special connections, thereby enabling their leading bodies to conduct business in a more principled and aggressive manner.

After the commander of a certain group army was transferred to a new unit, after conducting an in-depth investigation and study, he decisively handled some problems which had caused many complaints among the masses, and thereby helped turn the party style for the better.

SHANXI LEADERS ATTEND SUN YAT-SEN COMMEMORATION

HK110147 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 10 Nov 86

[Excerpts] People of various circles held a solemn gathering in the provincial CPPCC hall in Taiyuan on 10 November to commemorate the 120th anniversary of the birth of Mr Sun Yat-sen. [passage omitted] Present were responsible comrades of the provincial party committee, Advisory Commission, People's Congress Standing Committee, government, CPPCC, Discipline Inspection Commission, and Military District, and Taiyuan City including Li Ligong, Jia Jun, Ruan Bosheng, Lu Gongxun, Yu Hongli, and Feng Sutao. [passage omitted]

Comrade Li Ligong said in a report: In commemorating Mr Sun Yat-sen today, we should concentrate efforts on speeding up socialist modernization. We should take full advantage of our strong points in resources to promote the coordinated development of the province's economy and speed up the building of the energy, heavy industry, and chemical industry bases, so as to support the country's modernization. We should thus make our own great contributions to the great cause of invigorating China. He said: In commemorating Mr Sun Yat-sen, we must also develop a broad patriotic united front and strive to bring about the peaceful reunification of the motherland.

Li Xiuren, chairman of the provincal CPPCC, and responsible persons of democratic parties in Shanxi and Taiyuan also spoke at the gathering.

JILIN MILITARY DISTRICT COMMITTEE COMMENDED

OW101426 Beijing Domestic Service in Mandarin 1200 GMT 7 Nov 86

[Report by station reporters (Liu Dejian) and (Wang Xingong) and XINHUA reporter (Li Yuezhu)]

[Text] The Jilin Provincial Military District party committee has made remarkable progress in rectifying party style. The Discipline Inspection Commission under the Central Military Commission of the PRC today added comment on the achievements made by this military district's party committee. The comment points out that the Jilin Provincial Military District party committee has become one of the new advanced units through concrete work and marked achievements.

The comment says: Several years ago, the Jilin Provincial Military District had problems in party style, some of which were even very serious. However, instead of evading the problems, the party committee had the courage to expose them and resolutely corrected and dealt with them, with the Standing Committee taking the lead to set a good example. One by one the problems were solved, and year after year the party style has improved.

The comment says: A unit with a sound basis and high standard of party style can achieve a fundamental improvement in party style through exerting efforts. But another unit with a not so good basis of party style can also bring about a fundamental improvement in party style as long as its party committee makes earnest and solid efforts.

The reporters recently learned that the Jilin Provincial Military District has good party and military style, and has achieved outstanding results in the development of material and spiritual civilization. Members of the party committee are united as one and full of spirit. They work for the grass roots in a down-to-earth manner. The principal leading cadres spend more than 100 days every year at the grass-roots level. The task of reduction in strength reorganization has proceeded smoothly. The People's Armed Forces departments in 59 counties and city districts were turned over to the local governments along with personnel and equipment. The education level of the cadres and soldiers has improved. Sixty percent of the cadres in the district's troops and organs have a college education, compared with 9.6 percent 3 years ago. Development in border defense has been strenghtened. Soldiers not only have new buildings to live in but also have color televisions and refrigerators. Some sentry posts in the mountain areas even make use of solar energy.

In launching joint building of spiritual civilization by the army and civilians, over 60 percent of the units have been commended as advanced county, city, or national units. The Military District's per capita income from agricultural and sideline production reached 813 yuan last year, and will exceed 1,000 yuan this year. Remarkable progress has also been achieved in building up militia and reserve service. In combating floods in Jilin Province this year, hundreds of thousands of militiamen and reserve service personnel were mobilized to stop some 400 breaches of dams and repair and consolidate dikes totalling some 380,000 meters, thereby ensuring a bumper grain harvest this year.

Gao Di, secretary of the Jilin Provincial CPC Party Committee, spoke to the station reporters. He said: [Begin recording] The reason why the Jilin Provincial Military District could do such a good job was that they took the initiative. What impressed me the most was the performance of the masses of commanders and soldiers of the provincial military district in flood control and rescue work, especially that of the leading comrades. It made a very deep impression on the civilian cadres and the masses.

They were so eager and positive to get mobilized because they were sincerely dedicated to serving the people, a goal of the party. It does not require material incentive, but conscientiousness and initiative, to serve the people. Being sincere in their desire to serve the people, they took the initiative to perform the task. Performing a task assigned by high levels means obeying orders for army commanders and fighters. However, motivated by a conscious desire to serve the people, the commanders and fighters of the Jilin Provincial Military District provided timely assistance to the people. This is an important achievement in party rectification. [end recording]

JILIN SECRETARY ADDRESSES INDUSTRIAL FORUM

SK120720 Changchun Jilin Provincial Service in Mandarin 2200 GMT 11 Nov 86

[Text] The provincial industrial forum, which ended on 10 November, pointed out: In promoting the provinces's industrial production, the key lies in carrying out reform, renewing our concepts, and enhancing our consciousness of reform. Gao Di, secretary of the provincial party committee, Governor Gao Dezhan, and Vice Governor Liu Shulin attended the forum. The forum listened to and fully affirmed the experiences of the Jilin Chemical Industrial Company in building the two civilizations, and called on workers and staff members throughout the province to learn from the company's spirit of making progress with one heart and one mind in a bid to invigorate Jilin's economy.

At the forum, Comrade Gao Di pointed out: We should further strengthen leadership over industrial production and should support and promote agriculture with industry. The rural areas should vigorously develop town and township enterprises, instead of only grasping grain production. The focus of industry should be placed on reform, and the focus of reform should be placed on improving various kinds of economic responsibility systems, with stress on the contract system, in order to mobilize the initiative of workers. We should dare to and be good at carrying out reform and make appropriate adaptations in light of specific conditions. In building spiritual civilization, we should pay attention to solving two problems. We should renew our concepts by mainly overcoming those leftist, outdated concepts and habits which are detrimental to the progress of reform and the work of opening to the outside world, and by cultivating the commodity economy concept and the concept of efficiency.

On how to promote production next year, Governor Gao Dezhan pointed out: The major goals for the province's industrial production next year will be: Striving for steady, sustained and coordinated development with quality and relatively good efficiency, and effecting simultaneous increases in output value, income from sales, profits and taxes, and financial revenues. In organizing next year's industrial production, we should focus on deepening reform, readjusting the structure, developing integration, strengthening management, increasing reserve strength, promoting comprehensive development, and increasing efficiency. We should regard the work of satisfying social and market demands as the priorities, the quality of products as the focus, the improvement of efficiency as the major orientation, and the economic responsibility system and ideological and political work as the guarantee. Comrade Gao Dezhan pointed out: In organizing industrial production next year, we should pay attention to the following seven items of work:

1. We should adhere to reform and further mobilize the initiative of producers and managers of enterprises.

2. We should suit the social and market demands, positively readjust the product mix, and vigorously improve the level and competitiveness of products.

3. We should strengthen leadership over the work of developing lateral economic cooperation, further open ourselves to the outside world, and promote the penetrating development of lateral integration.

4. We should grasp management, raise standards, comprehensively improve the quality of enterprises, and strengthen the basic work and the building of groups and teams of enterprises.

5. We should make great efforts to grasp technical transformations of enterprises, and strengthen the momentum of enterprises.

6. We should give prominence to major aspects and create good conditions for key large and medium enterprises in the fields of policies, materials, and capital. At the same time, we should vigorously develop the collective economic sector in the urban and rural areas and further grasp all sectors of the economy at all levels in order to raise economic results in a comprehensive manner.

7. We should strengthen the building of spiritual civilization and strive to renew and enliven ideological and political work by summing up new experiences.

FOREIGN ENVOYS ATTEND DALIAN OPEN POLICY MEETING

SK100135 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 9 Nov 86

[Text] This afternoon, ambassadors, ministers, counsellors, and economic and commercial attaches from 14 countries participated in the Dalian City meeting to introduce the city's new preferential policies on opening to the outside world. To promote mutual understanding and friendship between Dalian and various other countries, encourage foreign traders to run enterprises in Dalian with their capital, and conduct economic and technological interchange and cooperations in the course of opening Dalian to the outside world, Dalian City will sponsor a meeting from 9 to 12 November to introduce its new preferential policies on opening to the outside world, with the approval of the Ministry of Foreign Affairs. Diplomatic envoys to China from Norway, Democratic Germany, Hungary, Mozambique, Japan, Canada, the FRG, Yugoslavia, the United States, Australia, Denmark, the Soviet Union, Malaysia, and France attended the meeting at the invitation of the Dalian City People's Government.

During the meeting, Wei Fuhai, mayor of Dalian City, and other leading comrades will brief these diplomatic envoys on Dalian City's new situation in further opening to the outside world, its investment environment, and its new preferential policies, and will continue to explore the possibility of cooperation in the fields of economics, trade, labor export, import of talent, and development of tourism resources. At the same time, a small-scale exhibition on samples of exported goods will be held.

BRIEFS

JILIN DEMOCRATIC PARTY COMMITTEE -- Beijing, 29 Oct (XINHUA) -- The Jilin provincial committee of the Chinese Peasants' and Workers' Democratic Party, one of the 8 democratic parties in China, was set up in the capital city of Changchun after 18 months' preparation. The party's first representative conference in Jilin Province, which closed recently, selected Prof. Yan Hongchen of the Changchun Institute of Traditional Chinese medicine as committee chairman. The Chinese Peasants' and Workers' Democratic Party is mainly made up of intellectuals in medical circles and has more than 200 members in Jilin. [Text] [Beijing XINHUA in English 0204 GMT 29 Oct 86 OW]

QINGHAI SECRETARY ON RURAL CIVILIZATION ISSUES

HK080323 Xining Qinghai Provincial Service in Mandarin 2330 GMT 7 Nov 86

[Excerpts] Yin Kesheng, secretary of the provincial party committee, investigated issues of building spiritual civilization in the rural areas of Xunhua and Hualong counties from 30 October to 5 November. Comrade Yin Kesheng pointed out: The important thing in building socialist spiritual civilization is that the cadres at all levels, especially the leading cadres, must further improve their work style. [passage omitted]

Comrade Yin Kesheng said at a gathering of cadres in Hualong County: The building of spiritual civilization must be done in light of local conditions and not in a generalized or monolithic way. In areas inhabited by minority nationalities, we must first strengthen nationality solidarity and guide the masses to change old traditional concepts and backward customs that hamper social progress. Second, we must develop nationality education, improve the quality of education, and continually enrich and enliven the masses' cultural life. We should appaly the progress of science and culture to stimulate the development of building spiritual civilization.

Comrade Yin Kesheng also pointed out in the course of his investigation: Accomplishing the four modernizations is the common ideal of people of all nationalities throughout the country. Specifically, in Qinghai, we should display the determination of the foolish old man to develop the province. [passage omitted]

Comrade Yin Kesheng stressed: The important thing in building socialist spiritual civilization is that the cadres at all levels, especially the leading cadres, must further improve their work style. On the one hand they must regularly go deep into reality and among the masses to investigate and study, guide the work, and solve the problems. On the other hand, they must be good at mixing with the masses, consulting them when problems arise, and listening to their views. They should mobilize everyone's initiative and concentrate all efforts on building the two civilizations.

QINGHAI LEADERS ATTEND ANIMAL HUSBANDRY LECTURES

HK0[illegible]0149 Xining Qinghai Provincial Service in Mandarin 2330 GMT 8 Nov 86

[Excerpts] To ensure that leading party and government cadres can understand animal husbandry, the provincial party committee's central study group organized special lectures on animal husbandry on 8 November. There are five such lectures. [passage omitted] Yin Kesheng, secretary of the provincial party committee; Song Ruixiang and Liu Feng, deputy secretaries; Chen Yunfeng and Han Yingxuan, members of the Standing Committee, and other responsible comrades, numbering 70, attended the first lecture. [passage omitted]

BRIEFS

SHAANXI OPENS POWER PLANT -- Qinling Power Plant, the largest thermal power plant in northwestern China, was completed and put into operation on 31 October. The power plant was designed, built, and installed entirely by Chinese. With a high degree of automation, it is a modern thermal power plant. The annual energy generated by the plant will be 6 billion kwh, accounting for 51 percent of the province's total. [Summary] [Xian Shaanxi Provincial Service in Mandarin 0030 GMT 2 Nov 86 HK]

EXECUTIVE YUAN DENIES U.S. INTERFERENCE IN TRADE

OW110853 Taipei CNA in English 0235 GMT 11 Nov 86

[Text] Taipei, Nov. 10 (CNA) -- The Executive Yuan stressed Monday that the United States had never tried to interfere or meddle in the Republic of China's [RCC] internal affairs by means of its trade talks with this nation and that its stand on ROC-USA trade is based on a trade agreement between the two nations.

In a written response to Legislator Lin Yu-hsiang's interpellation concerning the high-handed methods the U.S. resorted to in the recent trade talks, the Yuan said that the ROC-USA trade agreement was inked on Dec. 29, 1978, one year before the suspension of diplomatic relations between the two nations, for the purpose of enhancing the nation's relations with member nations of the General Agreement on Tariffs and Trade, of which ROC is not a signatory.

The agreement states that the ROC is willing to abide by the GATT agreement reached in Tokyo for the promotion of trade liberalization and the establishment of a new world trade order. Meantime, the ROC also promises to uphold the principles of equality and reciprocity in conducting trade with other countries and assisting developing nations to gain profits through increased trade activities, the Yuan said.

The ROC has been able to enjoy many benefits prescribed by the generalized system of preferences mainly because of its commitment to the U.S., it said, adding that this is probably the reason the U.S. requested this nation to uphold the principles of free, equal and reciprocal trade with the U.S.

In the U.S. opinion, the nation's export ratio requirements on joint-venture auto companies, subsidies to rice exports, and ban on the import of American tobacco and wine are a distortion of the principle of free trade. The U.S. request to open talks on these issues is based on its agreement with the ROC and should not be regarded as interference in the nation's internal affairs, the Yuan said.

RICE DISPUTE CAUSE OF REFUSAL TO BUY U.S. CORN

OW081409 Taipei CHINA POST in English 3 Nov 86 p 12

[Text] The ROC [Republic of China] refused to buy more American corn and wheat because the U.S. rejected repeated appeals from ROC to reconsider the 1984 bilateral agreement limiting Taiwan's rice exports, the Ministry of Economic Affairs' Board of Foreign Trade (BOFT) disclosed yesterday.

The ROC signed a pact with the U.S. last Oct. 2 to buy more than 18 million metric tons of corn, soybeans, wheat, and barley over the next five years.

The BOFT said that ROC shelved its original plan to buy more corn and wheat in protest against what it called an unjust U.S. trading practice and to call for a review of the rice export ceiling agreement.

The 1984 rice accord, due to expire in 1988, limited the ROC's rice exports to countries with per capital incomes below US$795.

The BOFT also announced yesterday that in line with its liberalization policies, the MOEA [Ministry of Economic Affairs] will review its grain import procedures gradually.

FISHING INDUSTRY AFFECTED BY U.S. RSA SANCTIONS

OW081135 Taipei CNA in English 0953 GMT 8 Nov 86

[Text] Kaohsiung, Nov. 8 (CNA) -- U.S. economic sanctions against South Africa have indirectly affected the deep-sea fishing industry in the Republic of China [ROC], a fishery official said in Kaohsiung Friday.

If the situation does not improve within a short time, the nation's fishing industry will suffer a heavy loss, the official said on commenting on a report that an ROC refrigeration vessel was recently stopped by U.S. Customs from unloading its fish products which were caught by the nation's deep-sea fishing boats from waters off South Africa.

The official said fishermen's associations in southern Taiwan have asked the Foreign Ministry to help resolve the problem through proper channels.

Cape Town is the largest overseas supply and transshipment center for the nation's deep-sea fishing boats. The nation's annual fish catches from waters near South Africa have run around 20,000 metric tons and nearly 80 percent of that amount used to be sold to food-processing businessmen in the United States, he said.

OFFICIAL WARNS AGAINST TRADE TALK POLITICIZATION

OW080623 Taipei CHINA POST in English 4 Nov 86 p 12

[Text] The ROC [Republic of China] must not fall prey to an anti-foreign syndrome and should resolve its trade differences with the U.S. to carry out economic liberalization and internationalization. Council of Economic Planning and Development (CEPD) Chairman Chao Yao-tung, who led a recent delegation to study Japan's information industry, reiterated this position on his return Sunday.

Chao urged the government to follow Japan's lead in seeking a settlement with the U.S. on the cigarette, wine and beer issue. He stressed that trade talks between both sides should not be politicized and neither should emotionalism prevail.

The CEPD chairman remarked that the ROC should consider itself the "weaker" partner in its trade ties with the U.S. and should refrain from taking on a belligerent anti-foreign attitude.

He noted that Japan realized two important considerations in dealing with the U.S. First, Japan will suffer most from a trade war with the U.S. Second, the international community will be adversely affected should the U.S. economy worsen.

Chao pointed out that Japan gave in to U.S. demands to prevent souring of relations. He said that both the public and the government in Japan support economic liberalization and internationalization. Presently Japan has privatized its cigarette and wine industries while telecommunication and steel manufacturing may soon be deregulated following approval by the Diet.

The chairman further observed that there are only slight differences between prices of local and foreign cigarettes and alcoholic beverages in Japan. The measures indicate a strong sense of economic reality than obsession with minor benefits. Chao concluded.

Despite the small difference between prices of local and imported cigarettes, Japanese consumers still prefer local brands, Council of Economic Planning and Development (CEPD) Chairman Chao Yao-tung noted after his recent visit to Japan.

Chao, meeting with newsmen following his arrival last Monday, said the U.S. can no longer accuse the Japanese of unfair trade practices under such circumstances. He noted that imported cigarettes were selling at only 20 yen (approx. NT$4) more than local brands.

The CEPD chairman remarked that even as large and powerful a trading nation as Japan must give in to U.S. pressure. He said that the ROC, being a large but "far from powerful" trading country, must consider its options carefully.

EXPORTS TO NORTH AMERICA INCREASE IN JAN-OCT

OW111431 Taipei CNA in English 0945 GMT 11 Nov 86

[Text] Taipei, Nov. 11 (CNA) -- North America remained as the largest buyer of ROC [Republic of China] -manufactured goods in the January-October period this year, amounting to U.S. $16.57 billion and accounting for 51.4 percent of the nation's total trade in the same period.

Government economic and trade officials said that the country's exports to North America, which included the United States and Canada, resulted in a growth of 26.3 percent or U.S. $3.45 billion bigger than the amount recorded for the 10-month period last year.

Official statistics showed that the Republic of China's outbound shipments delivered to the North American continent were valued at U.S. $13.12 billion, which accounted for 51.6 percent of the total exports woth U.S. $32.23 billion during the like period in 1985.

Asia was the ROC's second largest trading partner, in terms of exports. Asian nations purchased products from the island reaching U.S. $8.25 billion, or occupying 25.6 percent of the entire exports in the first 10 months.

Exported items to Asia yielded a rise of U.S. $1.40 billion or 20.5 percent over U.S. $6.85 billion a year ago, trade officials noted.

Europe was listed as the third biggest buyer, buying locally produced goods totaling U.S. $3.75 billion, dominating 11.9 percent of the whole export volumes and carding a boost of U.S. $1.30 billion or 53.3 percent from the prices in the year earlier.

The Middle East was the top fourth purchase of the ROC's products from January through October with a price tag of U.S. $1.07 billion and accounting for 3.3 percent of the cargoes from the island.

Exports to the Middle East indicate an increase of 14.1 percent or an upsurge of U.S. 133 million against the amount last year, the official tabulations disclosed.

Of the total imports priced at U.S. $19.69 billion, Asia was the biggest supplier of goods to this country, topping U.S. $8.62 billion which represented 43.6 percent of the total imports.

PREMIER STRESSES IMPROVED MIDDLE EAST RELATIONS

OW110847 Taipei CNA in English 0231 GMT 11 Nov 86

[Text] Taipei, Nov. 10 (CNA) -- Premier Yu Kuo-hua has directed ROC [Republic of China] personnel stationed in the Middle East to strive for improved relations with those Arab nations in the Gulf region which are of vital importance to the nation's economy and to promote substantive relations with those countries which have no formal ties with the ROC.

Yu gave the directive in a written message to the 6th joint conference of representatives of the ROC's diplomatic and trade missions to the Middle East. The two-day conference which was presided over by ROC Ambassador to Saudi Arabia Edward Y. Kuan, opened in Riyadh Nov. 10.

In his message, Yu reiterated the ROC's friendship with Saudi Arabia, asking all Chinese personnel there to strengthen the cooperative relations between the two nations.

He also expressed appreciation to the nation's foreign servicemen there for their hardships and contributions to protecting the nation's interests in that region in the face of endless turbulence and increased united front offensives by the Peiping regime in that part of the world.

In addition to chiefs of ROC missions in that area, Wang Fei, director of the Foreign Ministry's Department of West Asian Affairs, was also present at the meeting.

INTERIOR MINISTER CALLS PARTY FORMATION 'ILLEGAL'

OW110647 Taipei CNA in English 0314 GMT 11 Nov 86

[Text] Taipei, Nov. 10 (CNA) -- Interior Minister Wu Po-hsiung said Monday that before the revision of the statutes governing civic organizations is completed, any activities related to the formation of new political parties in this nation will be considered illegal.

In response to a CNA reporter's inquiry about some non-partisans' holding of the so-called national convention of the "Democratic Progressive Party," Wu said that the government has begun to revise the statutes governing civic organizations in preparation for lifting the ban on formation of new parties in this nation.

Before the draft revision is passed by the Legislative Yuan, any activities aimed at forming new political parties here will be regarded by the government as illegal, Wu said.

The government will not recognize such activities nor will this society accept them, he noted.

PREMIER RECEIVES COSTA RICAN ECONOMICS MINISTER

OW071507 Taipei CNA in English 1414 GMT 7 Nov 86

[Text] Taipei, Nov 7 (CNA) -- Premier Yu Kuo-hua received Luis Diego Escalante Vargos, minister of economic, industrial and commerical affairs of the Republic of Costa Rica, and Mrs Escalante at the Executive Yuan Friday afternoon.

During the meeting, Yu and Escalante exchanged views on ways to promote relations between the Republic of China [ROC] and Costa Rica as well as international issues of mutual concern.

Stressing that the two nations have maintained traditionally cordial relations in the past, Yu expressed the hope that exchange of visits by officials from both sides will be increased to further upgrade trade and economic ties between their countries.

Escalante, who arrived in Taipei Nov. 2 for a week-long visit, told the ROC premier that he has been impressed by the nation's prosperity and stability during his stay here.

The couple were accompanied by Su Ping-chao, director of the Central and South America Department of the Foreign Minstry, during the meeting.

PREMIER SEEKS IMPROVED EUROPEAN TRADE TIES

OW071455 Taipei CNA in English 1422 GMT 7 Nov 86

[Text] Taipei, Nov. 7 (CNA) -- The Republic of China [ROC] is trying to improve its relations with European countries through trade and economic cooperation, Premier Yu Kuo-hua told Jean Miot, executive president of the Paris-based newspaper LE FIGARO, Friday.

In addition to promoting trade and economic cooperation, the ROC is trying to enhance its cultural and educational exchanges with the European countries, Yu said.

During their meeting at the Executive Yuan, Yu and Miot exchanged views on the substantive relations between France and the ROC.

Miot highly praised the ROC for its outstanding economic accmplishments in recent years. The economic miracle of this country is attributable to efficient government leadership and the diligence of the people, he said.

He told Yu that the French people generally reckon the Republic of China as the true China. It is the freedom-loving Republic of China that the French people love, he added.

Miot arrived here Friday for a five-day visit. Established 132 years agok LE FIGARO is one of the most prestigious newspapers in France.

HONG KONG

EDITORIAL COMMENTS ON REPORTED U.S.-IRAN TALKS

HK110502 Hong Kong SOUTH CHINA MORNING POST in English 11 Nov 86 p 18

[Editorial: "Hypocrisy Becomes Official U.S. Policy"]

[Text] The United States was humiliated in 1980 when a desperate President Jimmy Carter sanctioned a doomed military mission to rescue the hostages held in the American Embassy in Teheran. Another "covert" operation aimed at the release of hostages has now brought shame to the United States, but of a different order.

The charred corpses which marked the end of the Teheran rescue attempt were the product of poor planning and mechanical failure. The concern over the recently revealed plan to secure the release of hostages in Lebanon by selling arms and military spare parts to Iran is due to the elevation of hypocrisy to the status of a secret national policy. The White House has sold arms to Iran in secret while in public adopting the stance that America under no circumstances would negotiate with those who instigate or support acts of terrorism.

At the very best, America's credibility is affected. It's hard to understand how President Reagan could see an advantage in dealing with a nation which endorses terrorism as a legitimate weapon. Of course there is immense concern over the fate of the six Americans still in the hands of the Lebanese terrorists. Of course every reasonable avenue should be explored to secure their liberty. Of course Mr Reagan must feel a degree of responsibility for their fate. But has the message not yet filtered through to the White House that when a government makes a deal with terrorists it means giving in to blackmail?

It is an excruciatingly difficult decision for a nation's leadership to have to make: Pay the ranson or condemn those caught in the middle to almost certain death. Far more, however, depends on that decision than the fate of individual hostages. The victory the terrorists score once the ransom has been paid fuels their fanaticism. More hostages are taken. More bombs are placed in city shops. More aircraft are hijacked. The terrorists believe they have the world's governments at their mercy.

The decision to sell arms to Iran also helps to fuel a war in which the U.S. Government is neutral, at least for public consumption, apart from the fact that it is also in contravention of an embargo on war materiel to Iran which has been official U.S. policy since 1979. The recent revelations will add to speculations that America has at least passively acquiesced to Israel's arms supplies to Iran: Israel has become one of Iran's main sources of weaponry in its six-year-old war with Iraq.

The deposed Shah spent billions of dollars equipping the Iranian Armed Forces with the most modern equipment the United States had to offer. The present Teheran regime needs all the spare parts and replacements for this U.S. equipment it can get its hands on. Israel has allegedly supplied Iran with U.S. $40 million worth of American-made weapons since the beginning of this year to keep the Ayatollah's war machine in running order.

The rift that the arms sales reports have revealed in the top levels of the U.S. Administration are also cause for concern. Defence Secretary Mr Caspar Weinberger and Secretary of State Mr George Shultz both appear to have been kept ignorant of the main ingredients of the deal. [paragraph continues]

The manipulator-in-chief has been Admiral John Poindexter, the National Security Adviser, and the negotiations with Iran, conducted through Israeli middlemen, has been handled by staff of the National Security Council, which he heads.

There have been many questions over the years about the direction of American policy; when such a departure from stated policy as the arms deal represents is made without the Secretary of State's full knowledge, those questions demand answers. It would be a serious blow to the administration if Mr Shultz felt compelled to resign; despite the occasional faltering, he has emerged as a statesman of some stature and has in the main given Mr Reagan's more adventurous policies an acceptable public face. As if to underline the fact that the left hand of the administration does not know, or prefers not to know, what the right hand is doing, Mr Shultz has been widely quoted as saying on several occasions that the United States would use its influence with "friendly states" -- Israel and China -- to halt arms shipments to Iran.

This is the second time in a month that Mr Reagan and Admiral Poindexter have had difficulties coordinating their activities with the secretary of state, although it is fair to piont out that the arms negotiations with Iran began under the admiral's predecessor, Mr Robert McFarlane. But it was certainly Admiral Poindexter, however, who wrote Mr Reagan a three-page memo outlining a "disinformation" campaign against Libya. This ploy was accepted, but when it was revealed to the world, the President at first denied it; Mr Shultz on the other hand implicitly admitted it had been going on by making a rather inept attempt to justify it.

Hypocrisy is an ugly trait, and while nobody has ever expected absolute moral rectitude from politicians, there are standards below which they should not be allowed to fall with impunity, especially when such importrant issues are at stake.

PHILIPPINE LABOR MINISTER'S VISIT CLARIFIED

HK111024 Hong Kong AFP in English 0939 GMT 11 Nov 86

[Text] Hong Kong, Nov 11 (AFP) -- Philippine Labor Minister Augusto Sanchez is in Hong Kong on a planned visit, and is not in hiding following reports from Manila that he was among "leftists" allegedly targetted for liquidation, a Philippine official said here Tuesday.

Reports in Manila that Mr Sanchez was on an alleged hit-list drawn up by supporters of Defence Minister Juan Ponce Enrile or had joined the Communist Party were totally unfounded, Labour Attache Dante Santana said.

Mr Sanchez, who arrived here Friday for his second visit in less than a week, had a commitment to fufill with the 2,000-strong Hong Kong-Filipino Musicians Union, he added.

The labour minister failed to meet the Filipino musicians' group during his earlier visitd to the British territory October 31 to November 5 when he had talks with Filipino domestic helpers here, estimated to total 50,000, on their problems which resulted in a proposed Filipino welfare and community centre.

Mr Santana described Mr Sanchez's talks with Filipino musicians on their woes and grievances about low pay as "very encouraging."

PRC INFLUENCE ON GREEN PAPER ALLEGED

HK100931 Hong Kong SOUTH CHINA MORNING POST in English 10 Nov 86 p 1

[By Michael Chugani]

[Text] China is believed to have sought to influence the contents of next year's Green Paper on political reforms by asking the British Government to make sure the document does not take sides on the controversial question of direct elections. The Chinese are understood to have pointed out to the British that while there was a loud call for direct elections to the Legislative Council in Hong Kong, there was also a wide body of opinion against such elections.

Beijing is said to have asked Britain to ensure this difference of opinion is fully reflected in the Green Paper, a public discussion document on reforms scheduled to be published in the middle of next year.

It has been reliably learned that senior Chinese ministers began relaying their message to the British six months ago, whenever there were ministerial meetings between the two sides.

The message is believed to have been passed on to the British Foreign Secretary, Sir Geoffrey Howe, as well as the Hong Kong Governor, Sir Edward Youde.

There has been much speculation in past months that the Chinese Government had asked Britain to freeze political reforms in Hong Kong in the run-up to 1997. Britain has refused to confirm or deny such claims while senior Chinese officials have from time to time dropped hints they did not want to see any political changes until after 1997.

It is now learned that while not having forced the British to retreat from introducing political changes in Hong Kong, the Chinese have indeed asked that the Green Paper should not highlight the calls for direct elections while ignoring other calls for no change.

Hong Kong officials have recently stated that the Green Paper will be completely neutral and will not take the lead in influencing public opinion on touchy questions like direct elections.

This policy of neutrality is a marked change from the Government's previous Green Paper on reforms, published in 1984, when the administration put forward recommendations for political changes.

It can be assumed that China's desire for the Green Paper not take sides is one reason why the Hong Kong Government has decided to publish a neutral document listing various options for change, rather than one which makes recommendations for the public to consider, as was the case in 1984.

This way, whatever changes are made in 1988 arising from the Green Paper will be a result of the public's choice rather than of Government steering of public opinion through recommendations.

Separate hints that Britain had accepted China's call to make sure next year's document did not take sides have come from both Sir Geoffrey and Sir Edward.

Both leaders emphasised recently that China and Britain were alive to the concerns and views of each other.

NPC TO HAVE FINAL REVIEW ON POST-1997 LAWS

HK110530Hong Kong HONGKONG STANDARD in English 11 Nov 86 p 1

[Report from Shenzhen by Yau Shing-Mu]

[Text] China's supreme lawmaking authority, the Standing Committee of the National People's Congress, may review laws enacted by the Hong Kong legislature after 1997 and rule whether they are constitutional. This was a conclusion endorsed at a Basic Law Drafting Committee subgroup meeting in Shenzhen yesterday.

The group, which is to delineate relations between the future SAR [Special Administrative Region] and the Chinese central authorities, will end its two-day meeting today. It is expected the group will pass a preliminary report which records its work and recommendations in the past six months to the drafting committee full meeting.

A co-convener of the sub-group, Mr Shao Tianren, said though the Joint Declaration does not say it clearly, the power of the NPC's Standing Committee to review SAR laws is implied.

A special committee under the NPC or its Standing Committee is recommended to undertake this. The committee, it is further suggested, should involve people from Hong Kong and the mainland. After the Standing Committee passes a judgement that a local law contravenes the Basic Law, that law would be nullified.

The Hong Kong legislature would have to reformulate the law or give it up. But those people or legal entities who gained benefit from the cancelled law will not be affected even though the law is nullified.

"From the legal point of view the third party is innocent, because it has no intention of taking advantage of the law's unconstitutionality, of which they have no knowledge," Mr Shao, a legal advisor to the Foreign Affairs Ministry said. However, local laws need not necessarily undergo review before entering into force, he said.

As long as the legislation has been reported to the Standing Committee for record it would be valid law. When it enters into force depends on the date it is promulgated or specified elsewhere.

Mr Shao explained "for record" and "review" are two different things that should not be confused. "For record" is to formalise a law enacted in the SAR as part of the Chinese law system, while "review" is a process to examine whether a local law contravenes the Basic Law.

Mr Shao also indicated that those laws effective before 1997 do not need to be reported to the NPC for record.

On the sensitive issue of residual power -- power not specified in the Constitution -- the group decided to put a safety clause to make sure that the SAR may enjoy other powers authorised by the NPC and the State Council.

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UN PRESIDENT SEEKS PRC TO 'DEFEND' THIRD WORLD

OW080306 Beijing XINHUA in English 0259 GMT 8 Nov 86

[Text] United Nations, November 7 (XINHUA) -- Third World countries look up to China to defend their interests in the Security Council, the president of the current U.N. General Assembly said today.

Humayun Rashid Chowdhury said that China, the only permanent member of the Security Council which is also a Third World nation, had a significant role to play in the United Nations.

He told XINHUA that he was looking forward to visiting China next spring as Bangladesh foreign minister.

He said that Bangladesh and China had identical points of view on all international issues.

"The friendship between the two countries is traditional and rooted in our culture and history," he said.

The Bangladesh people take pride in the achievements of the Chinese people, he said, adding that China is "a beacon of hope for Asia."

The 15-member United Nations Security Council, which promotes international peace and security, has five permanent members, China, France, the Soviet Union, Great Britain and the United States. The other 10 are elected by the General Assembly for two-year terms and represent Latin America, Africa, Asia and Western and Eastern Europe.

DELEGATE ADDRESSES UN ON NUCLEAR ENERGY

OW120932 Beijing XINHUA in English 0653 GMT 12 Nov 86

[Text] United Nations, November 11 (XINHUA) -- The current session of the General Assembly today adopted a resolution stressing the peaceful use of nuclear energy to promote economic development.

The resolution, passed by consensus, urged all states to enhance cooperation in promoting nuclear energy and improvements in nuclear safety.

The document called for increased technical assistance and cooperation for developing countries, which have a "special need" for nuclear technology.

The assembly urged all states to sign two international conventions requiring early announcement of a nuclear accident and cooperative measures in the event of a nuclear accident or radiological emergency.

These two conventions were unanimously adopted last September at a special session of the International Atomic Energy Agency (IAEA), and so far about 60 states have signed them.

Prior to the adoption of the resolution, the General Assembly heard an IAEA 1985 work report from Director-General Hans Blix.

Blix said there were 374 nuclear power plants including 32 new ones in operation in 1985, supplying 15 percent of the world's electricity, some 250 giga watts.

"Nuclear power will continue to be an important source of energy for social and economic development," he stressed.

Blix said that "it has never been maintained that such a quantity of electricity can be generated without risk whether by hydro, coal, oil, gas or nuclear."

He emphasized the need for the highest standards of safety in the design and operation of nuclear plants.

Assembly delegates praised the IAEA for its promotion and safety work and called for the increased peaceful use of nuclear energy concurrent with nuclear disarmament.

Chinese representative Shi Jicheng told the meeting that China is now developing nuclear power and gives great attention to international cooperation for nuclear safety.

While strengthening cooperation in the peaceful use of nuclear energy, China will scrupulously abide by its policy of not advocating, encouraging or helping others to develop nuclear weapons.

IMF TO OFFER $600 MILLION LOAN TO CHINA

OW111212 Beijing XINHUA in English 1154 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- The International Monetary Fund (IMF) will loan China 600 million U.S. dollars this year, a fund official said today.

Richard D. Erb, deputy managing director of the IMF, said the loan still needed final approval of the IMF Executive Board.

Erb called the loan an "expression of support by the international community" for China's continuing economic development.

Speaking at a colloqium on economic planning and growth and the role of the IMF, Erb praised China's Seventh Five-Year Plan (1986-1990) for its emphasis on reform of the government's role in the economy.

The decision by the Chinese leadership "to achieve sustainable growth while seeking price stability and external viability is to be welcomed," he said.

China has borrowed 930 million dollars from the IMF and has repaid 550 million dollars.

Erb also praised China's decision this spring to join India in foregoing additional loans from the International Development Association in order to make funds available to smaller countries unable to raise money on international markets.

It was a "remarkable example of economic statesmanship," said Erb.

CHEN MUHUA OPENS SINO-U.S. FINANCIAL SYMPOSIUM

OW101150 Beijing XINHUA in English 1118 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- Top financiers from China and the United States met here today to start a four-day symposium on financial markets.

The symposium is jointly sponsored by the People's Bank of China, the country's central bank, and the New York Stock Exchange.

Speaking at the opening ceremony, Chen Muhua, state councillor and governor of the People's Bank, said: "A new task facing Chinese financial circles is to gradually set up financial centers in key cities and capital markets suitable to China's concrete conditions. And since China lacks experience in the endeavor, it is necessary to learn and draw on all useful experience of other countries."

"The United States is developed economically and has sound capital markets and advanced management technique. We can draw on its experience," she noted.

Over 200 persons fron Chinese financial and other circles attend the symposium.

The American delegation to the symposium includes John J. Phelan Jr., chairman and chief executive officer of the New York Stock Exchange; William Rogers, former secretary of state; Elliot Richardson, former secretary of commerce; and over 20 renowned figures of the Wall Street.

"We're hopeful we can be of assistance in China's economic and financial growth by providing you with information about our financial institutions", Phelan said.

"It's also our privilege to see personally how your system works, and to meet and talk with your experts to gain insight from their knowledge and experience", he added.

The symposium will be mainly devoted to lectures by American participants on the present conditions and history of the security markets in the U.S., financial intermediaries, financing techniques, the role of government and self regulation of financial markets and analysis and prediction of economic and financial situation. Chinese experts will dwell on China's ongoing economic and financial reforms.

Top Chinese leaders are expected to meet with the American delegation.

GU MU MEETS U.S. BANKER, DELEGATION 9 NOVEMBER

OW101140 Beijing Television Service in Mandarin 1352 GMT 9 Nov 86

[From the "Evening News" program]

[Text] State Councillor Gu Mu met with Peter Buchanan, president and chief excutive officer of the U.S. First Boston banking corporation, and his entourage at the Great Hall of the People at noon today. The American guests are in Beijing to attend a Sino-U.S. seminar on financial markets [video shows Gu Mu conversing with the delegation through interpreters].

XINHUA ON SINO-U.S. FINANCIAL SYMPOSIUM

OW120524 Beijing XINHUA in English 1642 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- China will be in a position to absorb 40 billion U.S. dollars-worth of capital from world markets in the next five years, according to participants at a Sino-U.S. symposium on capital markets now in session here.

"Three markets -- syndicated loans, bonds and short term notes -- are most relevant to China's needs," Alan H. Fishman, senior executive vice-president of the Chemical Bank, said today.

The first and perhaps the most important market for China is the syndicated loan market since such loans can be structured to match exactly the cash and currency inflows of the project involved, Fishman pointed out.

"The structured financing helps reduce risks involved in cash flows with regard both to interest rates and foreign exchange fluctuations. So the syndicated loans offer features that are critical to China and unavailable in other types of financing," he said.

Since China has launched over 15 bond issues with variations in currency and structure in the international markets, bond markets are also a good choice open to China, he pointed out.

"The various domestic markets or the Euromarket can offer sovereign issuers large amounts of capital at competitive rates," Fishman said.

The third financing option open to China in the years ahead is the short-term note and standby guarantee markets, he said.

The senior financier also suggested that China look for institutions with the willingness to act as principal in transactions, who are prepared to put their own capital at risk to support China.

He also said that China should be sure that its leading financial advisors have the capability to do both syndicated borrowings or note issues.

Another American participant in the symposium, Eugene D. Atkinson, who is a partner in Goldman, Sachs and Co., said that China needs as many international investors as possible and suggested that in order to reach those investors agents should be employed to help make clear the needs of the investor, considering credit, maturity, structure and currency.

U.S. WARSHIPS END QINGDAO PORT CALL 11 NOV

OW110916 Beijing XINHUA in English 0905 GMT 11 Nov 86

[Text] Qingdao, November 11 (XINHUA) -- Three warships of the United States Pacific Fleet wound up a week-long-visit to China and left Qingdao Naval Port here this morning.

Admiral J.A. Lyons, commander-in-chief of the U.S. Pacific Fleet, and his wife left here for home by special plane at noon today.

RENMIN RIBAO VIEWS SOVIET AFGHAN POLICY

HK100615 Beijing RENMIN RIBAO in Chinese 6 Nov 86 p 6

["Commentary" by RENMIN RIBAO reporter Shi Zongxing (4258 1350 2502): "Bankruptcy of the Soviet 'Double Track' Policy"]

[Text] Reports from Afghanistan show that between August and the end of October, while the Soviet Union announced its plan for "partial force withdrawals," the Soviet Army in Afghanistan did not relax its fierce attacks on the battlefields against the Afghan resistance forces. According to the statistics, the large-scale attacks included the following actions.

In mid-August, the Soviet Army, together with some troops of the 7th and 8th Divisions of the Afghan Government Army, dispatched some 10,000 troops to besiege guerrillas in the old city of Herat, destroying most buildings and historic relics and causing heavy losses of lives and property to the residents.

Between late August and early September, the Soviet Army and the Afghan Government Army dispatched thousands of troops to attack the guerrilla camps in Shinci [6580 5417] Valley, Vardak [3907 1422 6671 0344] Province, leveled many villages and killed hundreds of innocent villagers in this area.

In early September, a "considerable number" of Soviet troops and troops of the Afghan Government Army attacked Paglman [1584 2706 2581] Valley. They used poisonous gas to kill 47 civilians and guerrilla soldiers there.

In early October, a large number of well-equipped Soviet troops moved into Shakar Darreh [3097 0344 1422 6671 2139] area of Kabul Province. They burned, killed, and looted everywhere they went for as long as 10 days, and almost turned this area into a "depopulated zone."

Shortly before the Soviet Union withdrew six regiments, the Soviet Army launched a large-scale offensive against the guerrillas in Shinyah [6580 3907 1422] and Hujm-i-Pa'in [0729 0502 1441] County. According to the latest reports, the Soviet Army did not even slightly reduce its military attacks against the guerrillas in the process of its force withdrawal and after the force withdrawal.

Simultaneously launching a "peace offensive" and military attacks is an important policy of the Soviet Union on the Afghan issue, and it is also called the "double track policy." The basic purpose of this policy is to free itself from the passive position. It tried to use the trick of "partial force withdrawal" to deceive world opinion and offset the international community's condemnation. At the same time, it tried to weaken and even wipe out the resistance force of the Afghan people through intensive military attacks. However, harsh reality has announced the abortion of this Soviet policy.

First, the Soviet Union's deceptive trick of "partial force withdrawal" has been thoroughly exposed by the international community. Few countries now regard this move by the Soviet Union as sincere. In a special debate in the UN General Assembly on 4 November, representatives of many countries demanded that the Soviet Union unconditionally withdraw all its troops from Afghanistan. This again showed how unpopular the Soviet Union's "partial force withdrawal" and "peace offensive" are.

Second, the situation on the Afghan battlefields showed that the Soviet Army's military actions did not reach their expected targets. Over the past 3 months, when facing the Soviet Army's fierce attacks, the Afghan guerrillas adopted the flexible tactics to preserve their effective strength by only fighting the battles that they could win. On the contrary, the Soviet Army has suffered more casualties because it attended to too many things. Although some of the guerrillas' important passageways were cut off by the Soviet Army, the guerrillas could still make use of these passageways once the Soviet troops retreated. Although the Soviet Army built many military strongholds in major towns and military bases, most of them were short-lived. In the past two months, not only some Soviet air force bases, but even the Soviet Embassy in Kabul were also attacked by the guerrillas. In the battle in Pageman Valley in September, the guerrillas found a letter from the body of a dead Soviet soldier. It was a letter written by this Soviet soldier, whose name was Tekaweiqi [3767 0595 4850 1141], to his friend. He said in the letter: "We are surrounded by untold dangers, and I am facing the danger of being killed at any time when I drive my vehicle to carry out a task." This soldier's words reflected, to a certain degree, the difficult position of the Soviet Army in Afghanistan. Moreover, the "air force superiority" the Soviets often boasted of has also been weakened more and more by the guerrilla forces' increasing antiaircraft strength. According to the magazine "AFGHANISTAN REALITIES," in September alone, the guerrillas in all parts of the country shot down four enemy fighters and four enemy helicopters. The magazine said that the obvious progress in coping with the Soviet Army's "air force superiority" had "made the fighting will of the freedom fighters firmer."

The "double track policy" of the Soviet Union has driven itself into a more passive position. It now has only one way to extricate itself from such a predicament, that is, withdraw all its troops from Afghanistan as soon as possible. The sooner it does so, the more favorable the situation will become to it, to the Afghan people, and to peace in Asia and in the whole world.

RENMIN RIBAO URGES SOVIET FORCE WITHDRAWAL

HK120827 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 10 Nov 86 p 6

["Short Commentary": "It Is Better To Cast Off the Burden Earlier"]

[Text] Through 2 days' discussion, the 41st UN General Assembly finally adopted a resolution on the Afghanistan issue by an overwhelming majority of 122 to 20. This was the eighth resolution adopted by the UN General Assembly on the same issue since the Soviet aggression against Afghanistan in December 1979, and it once again showed the serious concern of the international community over the Afghanistan issue and its unshakable will of demanding that the Soviet occupiers withdraw from Afghanistan.

At the current UN General Assembly, representatives of many countries urged the Soviet Union to withdraw all its troops from Afghanistan as soon as possible and called for safeguarding Afghanistan's sovereignty, territorial integrity, and non-aligned position so that the Afghan people can determine their nation's destiny on its own without foreign interference. However, these righteous calls were put aside, and the Soviet Union is still stubbornly repeating its old tune that "stopping external interference" should be the precondition for the total withdrawal of its forces. In order to cope with world opinion, the Soviet Union raised a big fanfare over its so-called "partial force withdrawal" plan before the Soviet-U.S. summit meeting and the opening of the UN General Assembly. [paragraph continues]

The small number of troops being withdrawn according to this plan are merely a small percentage of the Soviet troops stationed in Afghanistan, so such troop withdrawal was merely a "symbol" or a "propaganda maneuver" as some people pointed out. It would never help solve the Afghan issue. Moreover, when the Soviet Union was launching a peace offensive by carrying out the "partial force withdrawal," it also stepped up its fierce attacks against the Afghan people. This showed that the Soviet Union was not sincere in seeking a political solution for the Afghan issue.

The key to the settlement of the Afghan issue is that the Soviet Union must withdraw all its troops from Afghanistan as soon as possible. At least, the Soviet Union must put forth a concrete timetable for the total withdrawal of its forces. Without this, any "political solution" or "partial force withdrawal" will merely be empty talk. The international community and the world's people will not stop their just struggle on the Afghan issue merely because of such empty talk. The eighth anniversary of the Soviet Union's aggression against Afghanistan is drawing near. In the past 7 years and more, the Soviet Union used a large number of troops and modern military equipment to occupy Afghanistan, but it still failed to conquer the Afghan people; instead, it merely added the burdens to its back. It was condemned in the world every year, and fell into a difficult and embarrassing position at home and abroad. The Afghan issue has become real trouble for the Kremlin. For the Soviet Union, it would not be a bad thing if it cast off such a burden as soon as possible. This depends on whether the Soviet leadership has the determination to do this and whether it can take concrete action in line with the wishes of the international community. On the contrary, it will get nowhere if it merely play tricks in an attempt to deceive world opinion. It is now the time for the Soviet leadership to choose the right way.

SOVIET SPOKESMAN CONFIRMS SOKOLOV ILLNESS

OW130740 Beijing XINHUA in English 0732 GMT 13 Nov 86

[Text] Moscow, November 12 (XINHUA) -- Soviet Defense Minister Sergey L. Sokolov, who was absent from last week's revolution anniversary celebrations, is ill, a Soviet spokesman said today.

Gennadiy Gerasimov, chief of the Foreign Minstry's Information Directorate, confirmed Sokolov's illness at a Moscow press conference.

Sokolov has missed several important occasions since seeing off Soviet leader Mikhail Gorbachev when he left for the Reykjavik summit October 9.

Asked why Sokolov was absent from the celebrations and the November 7 Red Square Parade over which he would usually preside, Gerasimov answered: "I have already said he is ill. That is why he was not there."

The spokesman declined to give further details.

MOSCOW ENVOY HOSTS SUN YAT-SEN BIRTHDAY RECEPTION

OW122047 Beijing XINHUA in English 1857 GMT 12 Nov 86

[Text] Moscow, November 12 (XINHUA) -- Chinese Ambassador Li Zewang held a film reception here today to mark the 20th anniversary of the birthday of Dr. Sun Yat-sen, the pioneer of the Chinese Revolution.

The Chinese film "The Provisional President" was screened at the reception, which was attended by Soviet Vice-Foreign Minister Mikhail Kapitsa and nearly 200 guests.

NAKASONE REAFFIRMS COOPERATION POLICY WITH PRC

OW122044 Beijing XINHUA in English 1832 GMT 12 Nov 86

[Text] Tokyo, November 12 (XINHUA) -- Prime Minister Yasuhiro Nakasone said here today that Japan will not change its policy of continuing to engage in cooperation with China for its modernization program.

During a meeting with a Chinese delegation attending the two-day second Sino-Japanese economic forum, Nakasone said that Japan should study how to help China build bases for exports and improve the quality of its export products.

He said that both China and Japan should make efforts to overcome the trade imbalance in favor of Japan.

China had a trade deficit of 5.4 billion U.S. dollars with Japan in the first nine months of this year, which is nearly as large as in the same period of last year.

He also said that his government will discuss how to urge companies to invest in China.

China has frequently pointed to a reluctance by Japanese firms to invest in joint ventures while profiting from a sales boom.

The delegation was led by Qian Liren, director-general of the PEOPLE'S DAILY. The forum, cosponsored by the Chinese newspaper and Japan's NIHON KEIZAI SHIMBUN, discussed China's policy of opening to the outside world and economic and technological cooperation between the two countries.

The first forum was held in Beijing in November 1984.

PRC, JAPANESE POLITICIANS END PEACE IN ASIA FORUM

OW122048 Beijing XINHUA in English 1904 GMT 12 Nov 86

[Text] Tokyo, November 12 (XINHUA) -- A group of Chinese and Japanese politicians and scholars concluded their three-day discussions on peace in Asia here today with a call for superpowers to eliminate their nuclear missiles not only from Europe but from Asia as well.

Zhang Xiangshan, vice president of the China-Japan Friendship Association and leader of the Chinese team to the forum "Peace of Asia", said that participants in the meeting voiced their discontentment to the United States and the Soviet Union over their reluctance to remove nuclear missiles from Asia.

They urged Washington and Moscow to keep up their dialogue on nuclear disarmament.

The participants also stressed the need for a multi-level exchange of ideas among Asian and Pacific rim nations on peace and security in the region, Zhang said.

He said that participants noted in particular that besides sound economic development, domestic democratization of individual countries plays an indispensable role in keeping peace and stability in the region.

Much of the discussion focused on the Korean peninsula. Discussants reached the consensus that the North and South should continue their dialogue so as to reduce tension and bring about an early national reunification.

Participants in the discussion also attached great importance to a lasting friendship between China and Japan, which they said is of profound significance to peace and stability in the Asian and Pacific region and the world at large.

The forum, the first of its kind, was convened at the proposal of Toukma Utsunomiya, president of the Japan-China Friendship Association and a member of the Japanese House of Councillors.

The forum will possibly meet next year in Beijing, but details have yet to be settled, according to Chinese sources.

PRC, JAPAN SIGN AGRICULTURAL RESEARCH ACCORD

OW121124 Beijing XINHUA in English 1031 GMT 12 Nov 86

[Text] Harbin, November 12 (XINHUA) -- Chinese and Japanese scientists will start joint agricultural research on the Sanjiang plain in northeast China, under an agreement signed here Monday.

The five-year research program for the plain, drained by the Heilong, Songhua and Wusuli Rivers, includes soil fertilization, frost-resistant crop cultivation and the use of computers.

Under the agreement, Japan will provide instruments and equipment worth 20 million yuan (5.4 million U.S. dollars), seven long-term experts and several short-term experts to work in China with Chinese researchers. The terms also stipulate that China can send five technicians each year to study in Japan.

Scientists say the Sino-Japanese research program will benefit the agricultural development of northeast China, a major grain and soybean producer.

TIAN JIYUN MEETS WITH JAPANESE ENTREPRENEURS

OW121930 Beijing XINHUA in English 1513 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met here today a delegation from the Japan Chemical Fibers Association headed by Yutaka Hirata, president of the association.

Tian briefed the visitors on China's economic situation.

While in China, the Japanese entrepreneurs will discuss with their Chinese counterparts further cooperation in the chemical fibers industry.

XIZANG GOODWILL DELEGATION VISITS NEPAL

Arrives in Nepal

HK071555 Lhasa Xizang Regional Service in Mandarin 1130 GMT 5 Nov 86

[Text] With regional party committee Secretary Wu Jinghua as the head and regional People's Congress Standing Committee Vice Chairman Jiangzhong Zhaxiduoje and regional people's government Vice Chairman Mao Rubai as the deputy head, the Xizang goodwill delegation of China, comprising 12 people, arrived in Nepal on the afternoon of 4 November.

When the delegation was leaving (Zhangmu) port, the masses from various local circles gave it a warm send-off. (Gedaer), secretary of the Joint Affairs Department; (Lianhe Si) of the Ministry of Foreign Affairs of the Government of the Kingdom of Nepal, and officials concerned; and Tu Guowei, ambassador of China to Nepal, and other officials of the embassy made a special trip to the Sino-Nepalese friendship bridge, (Nifangyice), to welcome the Xizang goodwill delegation of China. Representatives of people from various circles of Nepal who had come to welcome the delegation presented garlands to the delegation.

According to another report, on 3 November, when regional party committee Secretary Wu Jinghua, regional People's Congress Standing Committee Vice Chairman Jiangzhong Zhaxiduoje, and regional people's government Vice Chairman Mao Rubai, who were going to pay a goodwill visit to the Kingdom of Nepal on invitation, were passing through (Zhangmu) port, they attended a ceremony to present photos of the CPC Central Committee Political Bureau Standing Committee members which was held by the (Zhangmu) Port Office. They also gave the Political Bureau Standing Committee members' photos to the representatives.

King Receives Delegation

OW121945 Beijing XINHUA in English 1657 GMT 12 Nov 86

[Text] Katmandu, November 12 (XINHUA) -- King Birendra of Nepal said here today that his country treasures the friendship between Nepal and China.

Birendra made the remark when he received the visiting goodwill delegation of the Tibet Autonomous Region of China.

Birendra said frequent exchanges of friendly visits will contribute to the mutual understanding and friendship between the two peoples. He recalled his two visits to the Tibetan region with satisfaction.

Wu Jinghua, leader of the Chinese goodwill delegation, said that during the visit his delegation had talked with Nepalese ministers on a wide-ranging cooperation between the Tibetan region and Nepal in the fields of economy, trade, tourism and transport. He described the visit of his delegation to Nepal as "very successful". The delegation arrived here on November 4 and will leave for home tomorrow.

Prime Minister Meets Delegation

OW101524 Beijing XINHUA in English 1454 GMT 10 Nov 86

[Text] Katmandu, November 10 (XINHUA) -- Nepalese Prime Minister Marich Man Singh Shrestha said here today that the friendly relations between Nepal and China are very satisfactory.

He made the remark while receiving the visiting Tibetan delegation led by Wu Jinghua, secretary of the Chinese Communist Party Committee of the Tibet Autonomous Region and vice-chairman of the Chinese Nationalities' Affairs Commission.

He expressed his belief that the visit would help open new fields in cooperation between the two countries.

He said tourism is one of the new fields and he looks forward to establishing air links between Katmandu and Lhasa. Trade between Nepal and China's Tibet region also needs to be developed, he added.

Wu Jinghua said that his delegation had discussed with Nepalese ministers of foreign affairs, tourism, commerce, supplies, agriculture and finance. Both sides agreed that the existing friendly exchanges and cooperation could be further promoted.

The delegation of the Tibet Autonomous Region arrived here on November 4.

PRC, NEPAL AGREE ON CROSS-BORDER PASTURING

OW111629 Beijing XINHUA in English 1502 GMT 11 Nov 86

[Text] Katmandu, November 11 (XINHUA) -- Nepal and China signed here today letters of exchange relating to trans-frontier pasturing by border inhabitants on basis of an agreement concluded on October 10, 1983.

Under the letters of exchange, China agreed to extend the trans-frontier pasturing for Nepalese border inhabitants of Sindhupalchok and Dolakha districts in the pasture grounds of Nyalam County of China's Tibet Autonomous Region to another two years till September 30, 1988.

The number of livestock for trans-frontier pasturing shall be discussed and agreed upon between the local officials of the two governments.

PAKISTAN SENATE CHAIRMAN ON RELATIONS WITH PRC

OW121342 Beijing XINHUA in English 1220 GMT 12 Nov 86

[Text] Islamabad, November 12 (XINHUA) -- Senate Chairman Ghulam Ishaq Khan said that the relations between Pakistan and China would move fron strength to strength not only with this generation but also with the generations to come.

Ishaq Khan made the remarks while talking to reporters at Islamabad Airport last night upon his return from a week-long visit to China.

He said that the visit was a great success in further cementing the existing cordial and friendly relations between the two countries.

He said that he had extremely useful exchange of views with Chinese leaders on the geo-political situation and other matters of mutual interest and found identity of views on all matters.

The Chinese nation, Ishaq Khan noted, is standing like a monument behind their dedicated and inspired leadership on the march towards goals of modernization.

RENMIN RIBAO SUPPORTS WEST EUROPEAN POSITION

HK060755 Beijing RENMIN RIBAO in Chinese 4 Nov 86 p 6

["Jottings" by Fang Qiu (2455 4428): "What a Neutral State Advocates"]

[Text] Switzerland, which always maintains a neutral position and speaks and acts prudently, recently praised France's independent nuclear force, holding that this is a "guarantee that Europe continues to have its voice heard and that the destiny of Europe will not be determined merely by the opinions of Washington and Moscow." French newspapers said that Switzerland had expressed its position this time in an unprecedented way and that this was a real warning to the two superpowers.

Europe is the focus for rivalry and confrontation between the United States and the Soviet Union, and is most seriously threatened by the danger of nuclear war. Therefore, West European countries always hope for U.S.-Soviet dialogue and strive for East-West detente. They also demand that the United States and the Soviet Union listen to their voice, give consideration to their interests, and let Western Europe determine its own destiny rather than concluding secret dealings behind their backs. Switzerland's opinion precisely represents the position of many West European countries.

Western European concern over the U.S.-Soviet talks in fact reflects such a question: Will the world's future situation and the security of various countries in the world be merely determined by the two superpowers? The U.S.-Soviet talks can play a positive role, because they possess the largest nuclear arsenals in the world and bear unshirkable responsibility for nuclear disarmament. Anyway, dialogue is better than confrontation. It is even better if the dialogue can lead to really effective nuclear disarmament. However, the struggle between the United States and the Soviet Union will not disappear because of one or two rounds of talks. They may reach some compromise in order to consolidate their respective positions. Therefore, while hoping that the United States and the Soviet Union will continue to make advances in arms control, people should also guard against their dealings which may harm the interests of other countries. Only thus can the people of all nations gain the initiative in maintaining lasting world peace and preventing the disaster of war. This could be the viewpoint to be drawn from a neutral country like Switzerland's position.

YANG DEZHI HOSTS BANQUET FOR TURKISH GENERAL

OW101212 Beijing XINHUA in English 1205 GMT 10 Nov 86

[Text] Beijing, November 10 (XINHUA) -- Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army (PLA), gave a dinner today in honor of General Nacdet Urug, chief of General Staff of the Armed Forces of Turkey, and his party.

Earlier in the afternoon, Urug and Yang held talks on questions of mutual concern and on the furtherance of friendly relations between the two countries' armed forces. He also met Liu Buaqing, commander of the Navy of the PLA, and Wang Hai, commander of the Air Force of the PLA.

Urug arrived yesterday at Yang's invitation. He was officially welcomed at a ceremony this morning presided over by Yang. Later, he placed a wreath at the Monument to the People's Heroes here.

Li Xiannian Meets General

OW121224 Beijing XINHUA in English 1214 GMT 12 Nov 86

[Text] Shanghai, November 12 (XINHUA) -- Chinese President Li Xiannian said here today that Sino-Turkish relations are very good and very close, describing them as an example of relations among the Third World countries.

During a meeting here with General Nacdet Urug, chief of General Staff of the Armed Forces of Turkey, and his party, Li said China's independent and peaceful foreign policy will not change.

China will not ally with any big powers, nor will it form strategic relations with them, he added, saying that his country will formulate its policy according to its own conditions.

On nuclear disarmament talks between the Soviet Union and the United States, Li said it is better for them to have talks than not to have, adding that China hopes they will have better talks and some results will be scored through the talks.

All countries, big or small, rich or poor, strong or weak, should have their own say on nuclear disarmament, Li said, and the two big powers are not entitled to run everything of this issue.

China stands for friendship and peace and opposes war, he said, noting that war brings harm to the two sides, while peace benefits both.

Every country needs construction, which in turn necessitates a peaceful environment, he said, adding that China's modernization program and Turkey's construction likewise need peace.

Li also asked Urug to convey his regards to Turkish President Kenan Evren and welcomed Evren to visit China again.

After conveying Evren's regards to Li, Urug spoke highly of bilateral friendly relations and briefed the host on Turkey's domestic situation and foreign policy.

This morning, Urug and his party visited a vessels unit of the Navy of the Chinese People's Liberation Army stationed in Shanghai.

CRAXI ON ITALY'S ROLE IN PRC MODERNIZATION

OW071110 Beijing XINHUA in English 0705 GMT 7 Nov 86

[Text] Rome, November 6 (XINHUA) -- Italy should further develop cultural, political, trade and economic relations with China, Italian Prime Minister Bettino Craxi said tonight on his return home after a visit to China and India.

Craxi called his four-day visit to China "successful" and said the Chinese people cherish great respect and deep feelings for the Italian people. However, Italy has not yet played a large enough role in China's modernization, he added.

Italy can rely on its friendship with China to promote Sino-Italian cultural, political, trade and economic cooperations, Craxi said.

Craxi paid a short visit to Aswan, Egypt, on his way back to Italy.

WAN LI MEETS ITALIAN INDUSTRIAL DELEGATION

OW081849 Beijing XINHUA in English 1452 GMT 8 Nov 86

[Text] Beijing, November 8 (XINHUA) -- China is willing to carry out extensive, lasting and steady cooperation with Italy in economy, trade, science and other fields, said Chinese Vice-Premier Wan Li here today.

Wan Li made the remark when meeting with an Italian industrial delegation led by Luigi Lucchini, president of the General Confederation of Italian Industrialists.

Lucchini said that the purpose of his visit is to find out the real situation of China's economy and industry, adding that his country wishes to attain more fruitful results in the cooperation with China under bilateral efforts.

The delegation came as guest of the China Council for the Promotion of International Trade.

The delegation is composed of leaders from fields of steel, ferrous metal, installation, textile, food, carpentry, machinery, tanning, printing, machine tools, chemical industry and medicine [as received] building.

Jia Shi, president of the China Council for the Promotion of International Trade attended the meeting.

ZHAO ZIYANG MEETS BRITISH EMPLOYMENT SECRETARY

OW121436 Beijing XINHUA in English 1432 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Chinese Premier Zhao Ziyang and the visiting British Secretary of State for Employment, Lord Young of Graffham, today agreed to work to further Sino-British friendly relations of cooperation.

Zhao said that Sino-British relations are at their best.

The recent China visit by British Queen Elizabeth II will exert a far-reaching influence on the promotion of the friendly relations between the two countries and the friendship between the two peoples, he said.

Zhao noted there is a good momentum for developing bilateral economic relations.

Bilateral trade has increased by a big margin since last year, he said. Agreement has been reached on some major cooperative projects while negotiations are still underway on other projects. These indicate that Sino-British economic and technological cooperation will reach a new level.

Lord Young said the British Government and enterprises welcome the Chinese Government's new measures announced last October which aim at improving its investment environment, and desire to expand their trade with China on the basis of equality and mutual benefit and to provide it with technology and funds.

Chinese Minister of Foreign Economic Relations and Trade Zheng Tuobin was present on the occasion.

ZHAO ZIYANG MEETS WITH SWITZERLAND'S AUBERT

OW121933 Beijing XINHUA in English 1530 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Chinese Premier Zhao Ziyang said today that China attaches great importance to the role of Europe, the role of both big and small nations.

"China will develop its ties with bloc as well as non-bloc countries," Zhao stressed at a meeting with Pierre Aubert, vice-president of the Federal Council and head of the Federal Foreign Affairs Department of Switzerland, and his party here this afternoon.

According to the Ministry of Foreign Affairs, Zhao told Aubert that China highly values its friendly relations with Switzerland.

He said China and Switzerland are different in social systems and the level of development, but there is much for them to complement each other. Especially there exists great potential for the development of economic relations.

China is willing to establish long-term and stable friendly relations of cooperation with Switzerland, he added.

Zhao said the China-Schindler Elevator Co., Ltd. in Shanghai is running successfully, adding that he hoped to see more such joint ventures.

Aubert said Switzerland and China share common views on many international issues.

He also spoke highly of China's economic achievements.

Wu Xueqian Signs Accord

OW121358 Beijing XINHUA in English 1308 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- China and Switzerland signed an agreement on mutual promotion and protection of investment and an agreement for cooperation on peaceful uses of nuclear energy here today.

The documents were signed on the Chinese side respectively by Zheng Tuobin, minister of foreign economic relations and trade, and Wu Xueqian, state councillor and foreign minister, and on the Swiss side by Pierre Aubert, vice-president of the Federal Council and head of the Federal Foreign Affairs Department.

Under the latter document, the two countries will enlarge and strengthen cooperation on peaceful uses of nuclear energy on the basis of equality and mutual benefit and in the framework of the International Atomic Energy Agency.

GU MU MEETS BRITISH TRADE COUNCIL MEMBER

OW121929 Beijing XINHUA in English 1508 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- Chinese State Councillor Gu Mu met here today Sir Eric Sharp, chairman and chief executive of Cable and Wireless Plc of the United Kingdom and president of the Sino-British Trade Council.

They discussed the cooperation and investment of the British company in China.

CZECHOSLOVAK-CHINESE TRADE TALKS BEGIN

Delegation Arrives in Beijing

LD101334 Prague CTK in English 1230 GMT 10 Nov 86

[Text] Beijing, Nov 10 (CTK correspondent) -- Czechoslovak Foreign Trade Minister Bohumil Urban and his entourage arrived here today to attend a session of the Czechoslovak-Chinese Commission for Economic, Trade and Scientific-Technological Cooperation.

He will also hold talks with Chinese partners on the further extension of trade contacts between the two countries.

Talks Begin

OW111044 Beijing XINHUA in English 1037 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- The second meeting of the China-Czechoslovakia Committee for Economic, Trade, Scientific and Technological Cooperation opened here today.

Qian Zhengying, Chinese chairman of the committee and minister of water resources and electric power, and Bohumil Urban, Czechoslovak chairman and minister of foreign trade, expressed satisfaction with the expansion of bilateral economic, trade and technological cooperations and the implementation of the agreements concluded since the committee's first meeting held in Prague last year.

On China's economic situation, Qian said total grain output of her country is estimated to reach 390 million tons and industrial output value is expected to rise seven to eight percent this year. In the first ten months this year, she added, China's export volume showed a 7.2 percent increase over the same period last year while the import volume dropped by 5.4 percent as compared with the like 1985 period.

Urban congratulated China on its achievements.

It is learned that both sides will sign a Sino-Czechoslovak goods exchange and payment protocol for 1987 at the end of a six-day meeting.

CSSR Minister Feted

OW111630 Beijing XINHUA in English 1504 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- Qian Zhangying, Chinese minister of water resources and electric power, hosted a dinner here tonight in honor of Bohumil Urban, Czechoslovak minister of foreign trade, and his party.

The guests are here attending the second meeting of the China-Czechoslovakia Committee for Economic, Trade, Scientific and Technological Cooperation which opened earlier today.

In her toast, Qian said recent years witnessed rapid trade expansion between China and Czechoslovakia and their economic cooperation also made a good start. This would benefit the socialist construction of the two countries, she noted.

As the Chinese chairman of the committee, she pledged to redouble her efforts to promote the bilateral economic and trade cooperation.

In reply, Urban said Czechoslovakia was willing to develop its ties with China. He and his colleagues were glad to see the trade volume between the two countries doubled in each of the last three years and it again increased by 15 percent this year. He hoped to see greater efforts by both sides to keep the trade volume up.

HEILONGJIANG IMPORTS EAST EUROPEAN TECHNOLOGY

OW100200 Beijing XINHUA in English 0156 GMT 10 Nov 86

[Text] Harbin, November 10 (XINHUA) -- The border province of Heilongjiang in northeast China has imported advanced technology and equipment from East European countries to upgrade its existing enterprises in recent years, a provincial official said today.

The emphasis of such cooperation is placed on upgrading the outmoded equipment of some existing enterprises to raise the quality and variety of their products.

This year the province signed with Romania and Yugoslavia eight cooperative programs which will be put into action by the end of the year, said Wang Lichen, manager of the Soviet Union and East European Affairs Department of the Provincial International Economic and Technological Cooperation Company.

Since 1984 the local government has sent 67 delegations to Romania and Yugoslavia, and signed 18 contracts with the two countries covering the production of beverages, furniture, building materials, household electrical appliances and reclaimed leather, involving a total of 35 million yuan.

In 1984 the local government signed 16 contracts with 14 companies from Bulgaria, Czechoslovakia, the German Democratic Republic and Hungary after inspection tours of those countries, Wang said.

Further emphasis of bilateral economic cooperation will be centered on new product research, patent transfer, compensation trade and joint ventures.

SFRY-PRC TRADE CONFERENCE PROMOTES UNDERSTANDING

OW110936 Beijing XINHUA in English 0656 GMT 11 Nov 86

[Text] Ljubljana, Yugoslavia, November 10 (XINHUA) -- A four-day Sino-Yugoslav trade conference ended here today after its participants proposed 97 cooperation projects.

At the conference, more than 300 representatives from the two countries discussed means and ways for further developing bilateral trade and economic cooperation.

They also presented to the conference more than 40 reports, which explored the possibility of further cooperation between the two countries in various fields including finance, industry, agriculture, energy, telecommunication and transportation.

They made many suggestions on joint investment, cooperative production and joint access to third countries' markets.

The representatives held that the conference has promoted mutual understanding and exchange of experience in socialist construction.

Zhao Gongda, head of China's delegation to the conference, told a press conference today that his delegation was here to seek the diversification of Sino-Yugoslav cooperation.

Sino-Yugoslav economic and technological cooperation has developed smoothly in recent years thanks to the preferential measures taken by the two governments. By the end of May this year, the two countries had signed contracts on 58 projects totaling 70 million U.S. dollars.

PRC,GDR EXCHANGE CONVENTION INSTRUMENTS

OW070940 Beijing XINHUA in English 0929 GMT 7 Nov 86

[Text] Beijing, November 7 (XINHUA) -- Chinese Assistant Foreign Minister Tang Longbin and Ambassador of the German Democratic Republic (GDR) to China Rolf Berthold exchanged here today instruments of ratification of the consular convention between China and the GDR.

The convention, which was signed May 31 this year, will come into effect December 6, 1986.

GDR FOREIGN MINISTER MEETS PRC DELEGATION

OW111034 Beijing XINHUA in English 0743 GMT 11 Nov 86

[Text] Berlin, November 10 (XINHUA) -- Democratic German Foreign Minister Oskar Fischer said here today that further development of relations between his country and China would serve to promote socialism and peace in the world.

Meeting with Zhang Wenjin, president of the Chinese People's Association for Friendship With Foreign Countries, Fischer said Democratic German leader Erich Honecker's visit to China last month laid a solid foundation for further developing relations between the two communist parties, two socialist countries and two peoples.

Closer Sino-Democratic German cooperation will help "strengthen socialism and serve peace," the minister noted.

Zhang, who headed a Chinese friendship delegation on a week-long visit to Berlin, told XINHUA that the visit, the first of its kind since Honecker's China trip, was successful.

Zhang said he had talks with Gerald Goetting, president of Democratic Germany's League for Friendship Among the Peoples, and they signed a cooperation program between the two organizations for 1987-1988.

Zhang left here for Hungary today.

AFP REPORTS INCREASED TIES BETWEEN ISRAEL, PRC

HK110800 Hong Kong AFP in English 0791 GMT 11 Nov 86

[Text] Beijing, Nov 11 (AFP) -- China maintains numerou semi-official contacts with Israel, discreetly buying some of the best technology the Jewish state has to offer, an Israeli journalist said during a visit here.

But in order not to upset Arab states, Beijing -- which has no diplomatic relations with Jerusaleum -- is seeking to give the lowest possible profile to its growing trade with Israel, said the journalist, who requested anonymity.

The Israeli Government, for its part, is doing all it can to avoid discouraging Beijing by trying to avoid indiscretions and by controlling information given to the press, he said.

The reporter, who works for one of Israel's biggest newspapers and is here with a tourist group, said China has been buying sophisticated agricultural, electronic and communications technology from Israel.

Some of this technology may also have military applications, he added.

A large part of Sino-Israeli trade passes through companies based in Beijing or Hong Kong that are managed by Jewish businessmen who, for example, hold U.S. or Austrian passports, he said.

In September, he added, some 25 Chinese officials arrived in Tel Aviv to attend a show of Israeli products for irrigation and soil fertilization -- areas in which Israel is a world leader, the reporter said.

The delegation was one of the biggest China has ever sent to Israel, he added.

One of the exposition's organizers, Rafi Glick, announced in late September that an Israeli company had signed a 500,000 dollar contract with Beijing for an experimental irrigation project, using the latest techniques.

The deal was made through an intermediary in Singapore, Mr Glick said.

China has always categorically denied reports that it has had secret contacts with Israel.

It has also denied that Chinese officials met an assistant to then-Israeli Prime Minister Shimon Peres in Paris, also in late September, to discuss a possible establishment of diplomatic relations.

Mr. Peres handed over the reins of Israel's coalition government the following month to Yitzhak Shamir, who had been foreign minister.

Officially, China supports the Palestine Liberation Organization and condemns Israeli policy towards the occupied territories. But Western diplomats in Beijing say such denials do not stop China from having contacts with Israeli authorities.

The diplomats said that CHINA DAILY, the official English-language daily newspaper, published a rather favorable commentary on Mr. Peres' record as prime minister when he exchanged jobs with Mrs. Shamir on October 20.

But despite such contacts and the irritation they have caused to Palestinians, it is unlikely that China would sacrifice its relations with several Arab states by officially recognizing Israel, the diplomats said.

The Israeli journalist, one of a group of tourists to Beijing which includes seven Israeli nationals, said he had no particular difficulty getting a visa to enter China.

But he indicated that Chinese authorities would not issue a visa to every Israeli tourist who asked for one. He said many prospective travellers must wait months before getting a green light to come here.

The first tourists with Israeli passports entered China in 1983, according to well-informed Western sources in Beijing. They numbered nearly 100 in 1985 and are expected to be more numerous this year.

Although most come as part of multi-national tour groups, there have been several small groups made up exclusively of Israelis as well, the sources said.

Among the visitors have been descendants of prominent Jewish property and textile magnates who thrived in Shanghai during the 1930's, such as Sassoon, Wardoon and Kadoorie, they said.

In December, Foreign Minister Wu Xueqian said during a visit to Cairo that Israeli experts and researchers would be able to attend international conferences in China. And since May, it has been possible to place telephone calls between China and Israel.

XI ZHONGXUN, TIAN JIYUN MEET ALGERIAN MINISTER

OW111621 Beijing XINHUA in English 1312 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the Chinese Communist Party Central Committee, and Tian Jiyun, vice-premier, met on separate occasions Algerian Minister of Information Bachir Rouis, and a delegation of journalists led by him here today.

During their cordial and friendly conversations, the two sides spoke highly of the friendly relations and cooperation between the two countries, and expressed the hope for further consolidation and growth of such relations in various fields.

Rouis, who is also an alternate member of the Political Bureau of the Algerian National Liberation Front, praised the friendship between the two countries' press circles in particular.

In the evening, Xi gave a banquet for the Algerian visitors.

TIAN JIYUN MEETS SAO TOME AND PRINCIPE OFFICIAL

OW062010 Beijing XINHUA in English 1539 GMT 6 Nov 86

[Text] Beijing, November 6 (XINHUA) -- Vice-Premier Tian Jiyun met Sao Tome and Principe Minister of Social Affairs Celestino Rocha da Costa here today. The minister arrived here for a visit as guest of Zhao Dongwan, minister of labor and personnel.

RENMIN RIBAO STUDIES DEMOCRACY, ACADEMIC FREEDOM

HK121009 Beijing RENMIN RIBAO in Chinese 6 Nov 86 p 3

[Article by Xu Liangying (6079 5328 5391), research fellow of the Institute of the History of Natural Sciences under the Academy of Sciences of China: "Political Democracy Is a Prerequisite to Academic Freedom"]

[Text] "Academic Democracy" is not quite a scientific concept. The principle that the minority is subordinate to the majority permeates democracy, whereas academic differences can be settled only through free discussion and scientific practice but not by applying this principle. Knowledge and scientific truth are different from the criteria for people's social behavior in that they are not determined by the will of the majority of people. On its discovery, a scientific truth is very often not accepted by the majority of people. Thus, if the principle that the minority is subordinate to the majority is accepted and mechanically applied in science, there could be confusion. Therefore, it is better to speak of "academic freedom". Academic freedom means the tolerant spirit of respecting and protecting the minority. Of course, in the management of scientific organizations and in the leadership and administrative work concerning our scientific cause, we should still apply the principle that the minority is subordinate to the majority.

Academic freedom must be protected and ensured politically by a democratic system. Since it seized political power, for the sake of its own interests and because of the great pressure from the masses, the bourgeoisie had encouraged and protected scientific work. It declared that: Provided that the law is not violated, people are allowed to freely express their opinions and set forth their ideas without being persecuted. By doing this, it had discarded the autocratic idea that "heresies" are as frightful as fierce floods and savage beasts and put an end to the uncivilized practice of burning alive people like Bruno and torturing people like Galileo.

Democracy is something "imported" to China, which is a country with an ancient civilization. However, we have not totally rejected feudalism. Tragedies that took place in medieval times repeated themselves in this great socialist country in the mid-1900's, when science was already flourishing. Since the 3d Plenary Session of the 11th CPC Central Committee, conditions for implementing the "double hundred" principle have begun to emerge. However, because of the persisting pernicious "leftist" influence, there were still obstructions. Some people have likened the existence of difference academic views to "contamination." These people have tried to intimidate people with views different from theirs by adopting the Cultural Revolution practice of putting labels on intellectuals. How can one say that these people "respect knowledge!" Some have always tried to equate freedom with anarchism and likened the so-called "advocates of ideological liberalization" to "economic criminals." Others have suggested that "various schools of thought should contend" under the guidance of Marxism. Given all this, the implementation of the principle of "letting a hundred schools of thought contend" is out of the question. Marxism is a set of guiding principles for the country's political activities, but it is not the conductor's baton in academic studies. Marxism is a science, not a branch of theology that can dominate and lord it over science. The disputes between Marxism and non-marxist ideologies can be settled only through free discussion. We should introduce anew the view introduced in 1956: We should no long ban idealism but should allow people to freely study and advocate it. Since there is already freedom for various religions, which have a direct influence on people, why can we not allow people to have freedom in the abstract domain of philosophical beliefs? The banning of the study and spread of idealism means the reduction of "a hundred schools of thought" to 50. [paragragph continues]

For example, in the 18th century. Berkeley, an advocate of subjective idealism, criticized the Newtonian concepts of absolute space and absolute movement. His penetrating thinking and insights are indeed an invaluable part of mankind's spiritual heritage.

Marxists in power should conform to the historical trends of the times and ensure by social and political means that "a hundred schools of thought can contend." Part of thier work is to properly define freedom, in order not to let it become the bourgeosisie's private property, and to ensure that each citizen enjoys the democratic rights stipulated in the Constitution. All communist participants in this contention should play an exemplary role in observing the basic rules of contention. It is necessary to put an end to administrative interference in academic affairs, not to persecute holders, of academic views different from ours, not to give government support to a particular school of thought, and not to spoil things by ill-considered and unwise action.

GONGREN RIBAO ON CULTIVATING DEMOCRATIC SOCIETY

HK120820 Beijing GONGREN RIBAO in Chinese 30 Oct 86 p 3

[Article by Wang Tao (3769 3447): "Cultivate the Sense of a High Degree of Democracy, Overcome Autocratic Ideas" -- capitalized passages published in boldface]

[Text] The existence or non-existence of a high degree of democracy in a society is a major criterion for judging how progressive this society is. Socialism is a more progressive social system than capitalism. However, since its seizure of political power, the proletariat has been unable to carry out progressive democratic construction promptly in society. As a result, it has no choice but to suppress with all its strength the resistance of the ruling classes deprived of their political power, to stress centralization and dictatorship, and to temporarily shelve democratic construction. If this was necessary at the outset only, then it should have immediately switched to strengthening socialist democratic construction after basically destroying the old ruling classes. However, for a long time we have paid no attention to socialist democratic construction and there has been little normal party and state democracy. One can even say that during a certain period there was virtually no democracy in society because it was utterly destroyed. All this has obstructed the development of productive forces, made the people unhappy with and skeptical about socialism, and dampened their enthusiasm for building socialism. Now, to arouse the people's enthusiasm for building socialism, it is necessary to allot an important place to socialist democratic construction and to have a strong sense of democracy.

How can one acquire a strong sense of democracy? I think that first it is necessary to acquire the following five ideas.

FIRST, IT IS NECESSARY TO REALIZE THE IMPORTANCE OF THE PEOPLE. The people are the masters of our country. In addition, they are also its main body and its foundation. Each educated, awakened person, each communist in particular, should respect and cherish the people, and voluntarily and willingly fight for their complete liberation, happiness, and prosperity. They should try their best to benefit the people, making them happy and prosperous. This should be the most honorable and noblest duty for a person with lofty ideals in the 1980s. Our cadres and party members should understand that to be responsible to the party and to be responsible to the people are one and the same thing. Now, there are many cadres whose sense of the importance of the people is becoming blunted. They have become people who only obey "their superiors" but "pay no heed" to the people's calls. A few of them have even become "bureaucratic officials" who ride roughshod over the people. [paragraph continues]

They do not know that the party's purpose is to serve the people. Without the people's cause, the existence of the party is meaningless. Those who think that being responsible to the party is very different from being responsible to the people must, if they are not ignorant, have a very impure party spirit. Or one may even say that they are unqualified party members who understand neither the purpose of the party nor its mission. Thus, it is necessary to discard the notion that "officials are dignified people" and to bear in mind the idea introduced more than 100 years ago at the formation of the Paris Commune, that cadres are "public servants." It is necessary to make the cadres accept the people's supervision. This is the only effective way to put an end to autocracy. It is necessary to make the whole society respect the people's democratic rights, to avoid infringing on their democratic rights, to democratically consult them and discuss with them whenever anything happens, to pool the wisdom of the masses, and to give full expression to the people's wishes.

IT IS NECESSARY TO HAVE AN IDEA OF THE PEOPLE'S RIGHTS. In a socialist society, the people are the masters of the country, who, as the masters of their own affairs, exercise the powers of a master. However, this does not mean that they can exercise their powers as soon as socialism is born. Before they can do this, they must first unremittingly fight and improve themselves, and if we are not careful with our work and party leaders not careful with theirs, the people will still not be able to exercise their powers. Thus, it is necessary to give the people the right to vote and to stand for election and the right of recall. These are the people's fundamental rights. Our party has always trusted and relied on the masses. However, since the "anti-rightist" struggle, it has always shown that it does not trust the people very much whenever the people are about to exercise their rights. For example, formalism is always practiced in the election of government officials. It looks as if whatever is decided by party organizations at any level will always be endorsed by the masses. People simply do not realize that election is a process whereby the people cultivate their sense of democracy, and whereby government officials enhance their sense of responsibility to thue people. Elections are not held to support or reject a certain individual. As far as the people's election rights are concerned, we can do things several dozen times better than capitalist countries. However, we pay little attention to this issue. Therefore, our sense of democracy, democratic atmosphere, and democratic style have remained undeveloped and we have so far failed to put greater emphasis on the idea that the people are the masters of their own affairs or on the idea that one should serve the people. Our officials have only a very vague understanding of the importance of the people. I think that in future, elections should be made more elaborate and more serious, the people should be allowed to campaign, to comment on the government's work, and to comprehensively discuss its administrative program, and more people should be allowed to vote. By doing all this, we can ensure that reputable and competent people will be elected and that after being elected, these people will not forget what they have promised the people. An elected people's government should uphold the people's right to comment on and supervise government work, make it a rule that it will regularly report to the people on its work, and establish a system of inspection by the people's deputies (this system has been strengthened), a system of reporting (on television) on improvements in its work, and a system of showing confidence in its work by vote. A government failing to secure two thirds of the votes of confidence should resign and be reorganized. The people should be given the right to remove incompetent government officials and those who have violated law and discipline. In addition, measures should be adopted to ensure that they can exercise their rights of recall, in order to prevent government officials from seeking personal gains by taking advantage of their office and from becoming autocratic.

THIRD, IT IS NECESSARY TO HAVE A SENSE OF EQUALITY. According to Lenin, "democracy implies equality." Under socialist conditions, equality means mainly political equality among the people. Whether or not a government official treats the people as his equal is a basic criterion for judging whether or not the awakening and qualities of a certain person qualifies him to be a cadre. In addition, this is also a criterion for judging how satisfactorily a government at a certain level serves the people. Because of the nature and requirements of their work, government officials are now receiving higher pay and enjoying better conditions than ordinary people. This is both reasonable and necessary. However, they should not boast of this. Still less should they seek personal gains by taking advantage of their office, or make things convenient only for their relatives and friends. They should regard what they are receiving now as special treatment given by the people and realize that the people expect them to do more things for them. Thus, they should do their work dutifully and faithfully. Otherwise, they should be ashamed to receive this treatment. Their better living and working conditions do not give them a high social status. They should remember that they are also common people. They should always try to make friends with the people as their equals, listen to their opinions, conduct surveys and investigations, discuss problems with them, be concerned about their weal and woe, and try to arouse their enthusiasm for building socialism. This is not only an expectation of the masses but also a demand the party imposes on cadres at all levels. Now, we are advocating the principle of "letting a hundred flowers blossom and a hundred schools of thought contend." However, this principle cannot be implemented without democracy and equality. Of course, the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" implies democracy and equality. Thus, to enhance democracy and equality, it is necessary to enthusiastically organize activities to enable "flowers to blossom" and to encourage "various schools of thought to contend."

FOURTH, IT IS NECESSARY TO HAVE AN UNDERSTANDING OF THE SPECIAL CHARACTERS OF PEOPLE. Things in the world vary with one another. Each thing has its special characteristics. Or, one may say that each thing is governed by a special law or special laws. Of course, one thing may have something in common with another. The contrast between special characteristics and common characteristics and between particularity and universality and their unity are a source of the many splendors and wonders in this very world. Simiarly, in society, no two people look exactly alike and people have different temperaments. As a result of a conflict of interests, there have been many heroic or tragic scenes and events since time immemorial. However, in today's society, there are still people, and in particular a few leading cadres, who want their subordinates to have character traits similar to theirs. Otherwise, they cannot tolerate them. Symptomatic of conceit, the practice of trying to remold others using oneself as the model indicates th absence of a democratic style. It obstructs the growth of talented people and adversely affects the development of democracy in society. In a highly democratic society, it is necessary to learn to protect each individual's strong points, to pay close attention to helping people develop their desirable qualities, and to guide them to overcome those weaknesses that may adversely affect their personal growth. People with different character traits usually have different hobbies. It is necessary to be good at discovering and respecting people's hobbies. Many talented people, many national heroes, and many of those who have made great contributions to the people have become great by developing their hobbies. Of course, we should properly admonish people against hobbies that are harmful to others and properly advise and guide them if their hobbies affect their work. However, we must never take pride in our immunity from hobbies nor try to prevent others from pursuing their proper hobbies. [paragraph continues]

We should be careful not to rudely and presumptuously criticize others for what they wear, for their hair styles, or for other trivial matters. We cannot ask people to be perfect, because we ourselves are also imperfect. It is necessary to try unremittingly to make the people better educated and to create conditions for the elimination of the differences between mental and physical labor. One must realize that people have different character traits, partly because they are differently endowed, but mainly because they have grown up in different social environments. Thus, one should be able to see the importance of the transformation of social environments. We do not intend to subdue and destroy people's independent characters, but we want to make people's character traits something desirable and beneficial to society. There will be a high degree of socialist democracy as soon as the hobbies and character traits of each individual healthily develops. Comrade Mao Zedong said: "Without individual character there can be no general character." We should try to enable each individual to contribute more, with his special character traits, hobbies, and strong points, to developing a socialist commodity economy and to building socialism with Chinese characteristics.

AND FIFTH, IT IS NECESSARY TO BEAR THE LEGAL SYSTEM IN MIND. There is a dialectical unity between the legal system on the one hand and equality and liberty on the other. A socialist legal system implies coercive means. However, the purpose of these coercive means is to ensure that the majority of people enjoy equality and liberty and that production and people's existence in society are in good, normal order. In other words, each individual's personal rights, his means of subsistence, and his inviolable liberty and equal rights are defined by law. Each person is required to abide by law. If democracy, equality, and liberty are just terms in a slogan but not ensured by law, the slogan of democracy, equality, and liberty cannot be realized no matter how loudly one shouts it. Now, there are people who on the one hand noisily advocate democracy, equality, and liberty but who show no interest in and are afraid of, the legal system. They are either people like "the elderly gentleman surnamed Ye, who pretended to be fond of dragons," or they are influenced by bourgeois speculative ideas and the bourgeois aversion to discipline. Now that there are laws, we must act in accordance with them and be law-abiding. All people are equal before the law. In order to be able to do all this, it is first necessary to rectify party style and, second to establish a vigorous supervisory system. Supervisory power must be ensured and upheld by all. The cadres in charge of this supervisory system must be elected and supervised by the people. The functions of this system must be explicitly specified and institutionalized. Otherwise, we will be unable to solve the problem of having people beyond the control of law.

In conclusion, a highly democratic society is one in which the idea that the people are of primary importance is upheld, in which the people can exercise their rights, in which equality is ensured, in which its legal system is implemented, in which people can have healthy personal development, and in which there are good social customs. Of course, there must also be economic and cultural development, a good government, and harmony among the people. In this way, the country will become powerful and civilized and its people will prosper and be able to live happily.

GONGREN RIBAO STRESSES RIGHT OF PRIVACY

OW030738 Beijing XINHUA in English 0658 GMT 3 Nov 86

[Text] Beijing, November 3 (XINHUA) -- People should keep their noses out of other people's personal affairs and respect their right to privacy, a Beijing-based newspaper warned today.

In a commentary, the WORKERS' DAILY noted that "the right of privacy" originated in Western countries but it is about time the concept was applied to China.

The paper explained that privacy is the right to conceal private affairs including personal property, family life, personal feelings, physical condition, psychological and mental concepts and religious beliefs.

The right to privacy has not been respected because of the long-existing, deeply-rooted and narrow-minded concepts of the small farming economy, and from the ultra-leftism which ignored individual freedom and dignity, the commentary said.

Along with the development of the current economic reform, a more relaxed, democratic, free and harmonious atmosphere has appeared in the fields of politics, culture and ideology, the commentary said. The concept of privacy will help establish a harmonious relationship among people.

The commentary did make a distinction between the Western and the Chinese concept of privacy. It said personal affairs are private as long as they don't interfere with other people or the greater social good, the commentary said.

The paper added that private interpersonal affairs should not be aired in public. "It is even worse to use private matters as a weapon to attack others," the commentary said.

If one's right to privacy is respected, they'll be free from the psychological pressure of constantly being peered at by others. Only under such an environment, can a person put all his energy and enthusiasm into work, bear his social responsibility and make due contribution to the society, the commentary said.

RENMIN RIBAO ON LOCAL LEADER REMOVED FROM OFFICE

OW080740 Beijing XINHUA in English 0724 GMT 8 Nov 86

[Text] Beijing, November 8 (XINHUA) -- A local party leader has been criticized and removed for abusing his power in seeking personal gains, the "PEOPLE'S DAILY" reported today.

Jia Haiwang was removed from the provincial party committee and fired from his position as head of the United Front Work Department of Xuchang Prefecture's party committee, the paper reported.

The article, in the Communist Party's newspaper, offered a long list of mistakes made by Jia. The local party leader embezzled funds, accepted bribes, forged work reports and lived lavishly at public expense when he worked as a county party secretary, said the paper.

According to the accusations, Jia developed a scheme to defraud the public purse of more than 10,000 yuan (2,500 U.S. dollars). The money was allocated to renovate and furnish the county party committee's four-room meeting hall but after the work was completed Jia turned the place into his personal living quarters, the paper said.

Two years ago Jia's wife accompanied him on numerous business trips to various cities. Her travel expenses were covered by public funds.

On one of those trips Jia even brought his personal photographer along at a cost of more than 1,800 yuan, the paper said.

Jia also accepted bribes valued at 1,661 yuan and was accused of reporting false achievements of his county, according to the paper.

SHA YEXIN EXPLAINS HIS IDEOLOGICAL PRINCIPLES

HK120331 Shanghai SHIJIE JINGJI DAOBAO in Chinese 3 Nov 86 p 15

[Article by Sha Yexin (3097 0673 2450): "My Basic Ideological Principles"]

[Text] Ideology is indeed an extraordinary mystery. It cannot be seen, nor can it be touched. It is odorless and noiseless. To date, no quantitative analysis on its mechanism can be made. However, it exists everywhere. So long as you are a man and are alive, it is with you. When it is dried up, you will cudgel and rack your brains. When it is active, it can link with things a thousand years ago or travel hundreds of miles away. A man without ideology would become a mere bottle for wine, a bucket for cooked rice, or a walking corpse. It is precisely with ideology that one can be a man in the true sense, that evolution is possible, that civilization is possible, and that the existence of the boundless brilliant world today is possible.

Ideology is the source of the material civilization and the spiritual civilization. It is also something that provokes disputes, causes trouble, and courts disaster. Ideology may nurture the flower of wisdom, or it may yield the fruit of foolishness. Some ideology gives a person great wisdom and bravery so that he will act with courage and determination. Other ideology only makes a person overcautious so that he will be worldly wise and play safe. Some thinkers are sages and men of virtue of their times. Others will stand condemned through the ages.

Aristotle said that ideology is the principal characteristic of human beings. And Descartes put forward the idealist proposition "I think and therefore I exist." Western philosophers also established the "three ideological principles" (the law of identity, the law of contradiction, and the law of excluded middle). They studied the mystery of ideology from the angles of science, philosophy, and logic. The Chinese are unique in this. Regarding ideology, the ancient sages admonished the people "not to think of anything evil," and contemporary leaders also taught the people that "various kinds of ideology are without exception stamped with the brand of a class." Chinese philosophers and politicians only paid attention to the moral standard for ideological cultivation and "class struggle on the ideological front," and consequently ideology was used in administering the country and reassuring the people. For example, before doing anything, "ideological guidelines were first discussed", when the work was in progress, "ideology was put in command", and after the work was over, "ideological summing-up had to be made." Anyone with selfish ideas had to make "ideological self-examination" and anyone who made mistakes had to be "ideologically criticized", and even those who had given a relatively good account of themselves had to actively unfold "ideological struggle" and consciously engage themselves in "ideological transformation" and had to routinely make oral "ideological reports," and regularly write "ideological appraisals." Therefore, various factories, mines, and enterprises and various departments and schools all set up specialized ideological and political work departments with full-time ideological and political work cadres. [paragraph continues]

Despite this, some people still could not set their minds at ease. At intervals of 3 of 4 years or 7 to 8 years, a political campaign would be launched to resist, criticize, counterattack, and eliminate various ideas which were thought to be non-proletarian. The sacred and lofty purpose of these campaigns was to build the whole country into a large school of glowing Mao Zedong Thought.

During the period of the mighty Cultural Revolution the role of ideology was defined in the extreme. Ideology was the soul, ideology was put in command, ideology was above everything else, ideology was almighty, and ideology was everything. Of course, only Mao Zedong Thought could have such mighty authority and play such a wonderful role. The 1 billion people across the country could only be loyal to, and defend this kind of ideology and could never be allowed to have any other kind of ideology. Otherwise, one would be asked to "foster proletarian ideology and eliminate bourgeois ideology," "fight selfishness, repudiate revisionism," and "make revolution in one's innermost soul." Extreme exaggeration of the role of ideology threw the country, which believed in materialism, into the mire of idealism. Ideas that frenziedly lavished praise on and adored leaders only reduced the ideology of the whole nation to an extremely impoverished state. The practice of muzzling "active ideology" with ideological transformation, fighting selfishness, repudiating revisionism, and so on is theoretically identical to "original sin" in Catholicism. As a matter of fact, the reason for paying so much attention to ideology was to strangle ideology, to implement the policy of keeping the people in ignorance, and to make things easy for autocracy and dictatorship.

Ideology should be free, emancipated, rich, and pluralistic! After reviewing ideological issues in the decades following the 10 years of turmoil, I have established for myself four basic ideological principles -- to shake off ideological bonds, to free myself from following others blindly and from superstition, to think for myself, and to help my own ideology eventually jump from the realm of necessity to the realm of freedom.

Depart from the classics but do not rebel against orthodoxy. This is my attitude toward Marxist-Leninist Ideas. By orthodoxy, I mean such orthodoxy as described in the "Book of Rites." It is a kind of social ideal, a kind of political belief, the objective of life, the ideological end-result, and a way to understand the world. I believe in the orthodoxy of Marxism-Leninism and I do not intend to depart from it. This kind of belief is my considered choice, my personal will and is not imposed on me. However, there can be different ways to recite the Marxist-Leninst scriptures. Each Buddhist monk has a copy of scripture and monks of different countries should recite in a different voice in accordance with the reality of respective countries. Lenin succeeded in carrying out socialist revolution in one country first. Mao Zedong took the road of encircling cities with rural areas to seize political power. Deng Xiaoping put forward the idea of "one country, two systems." These cannot be found in classics of Marxism and Leninism. They all boldly departed from the classics. If we adopt the attitude of following "only one genuine scripture" of Marxism-Leninism, we are bound to easily misunderstand it. Just look at many of the Marxist-Leninist countries in the world today. Those which dare to depart from the classics have actually come closer to the great road of Marxism-Leninism. It goes without saying that Marxism-Leninism should be an open system which must be constantly revised and updated before it can be enriched, developed, and imbued with vitality. In this sense, "revisionism" has rendered meritorious service to the development of Marxism-Leninism. We have wrongly criticized it. At present, we are building socialism with Chinese characteristics and are developing the planned commodity economy. All these "cannot be found in the classics," and yet they are genuine Marxist-Leninist classics. [paragraph continues]

The so-called "upholding Marxism-Leninism and developing Marxism-Leninism" can be boiled down to "departing from the classics but not rebelling against orthodoxy." In view of the reality of China at present, I think that we should more boldly depart from the classics without over-worrying about the risk of rebelling against orthodoxy.

Avocate but do not have blind faith in things foreign. This is my attitude toward Western culture and ideology. There is nothing wrong with advocating things foreign. Things foreign should be taken over and advocated if they are good. Japanese household electrical appliances are found in nearly every Chinese family and no one says they are not good. Western machinery and equipment are imported in large quantitites and you have to admit that these countries are advanced in science and technology. Is Marxism-Leninism not something foreign? Do you not show respect for it? Not all things foreign are of the bourgeoisie, and not all things of the bourgeoisie are reactionary, decadent, or poisonous. Some of the ideology and culture of Westerners are the common spiritual wealth of all human beings. For example, we cannot say in an oversimplified manner that concepts such as democracy, freedom, universal fraternity, and humanity are entirely bourgeois ideology. Speaking about Saint Simon, Fourier, and Owen, Engels said: "They opposed the old society with the attitude of spokesmen for the masses of the whole society." If you offer democracy, freedom, universal fraternity, humanity, and so on all to the bourgeoisie, what will you leave for the proletariat? Only dictatorship, suppression, struggle, and criticism, a hideous face. Some people say that the bourgeoisie is practicing bogus democracy. What about us? We don't even have bogus democracy. There was no democracy during the period of the Cultural Revolution, be it true or bogus. Even today, democracy is often a mere formality. I think that today's China should advocate things foreign and boldly learn from the fine and beneficial ideology and culture of the West and should not worry about "swallowing things foreign without digesting them." After eating foreign bread, we can still digest rice. Since the fountain pen was introduced several decades ago, writing with a brush remains China's unique art of caligraphy. With the production of plastics in large quantity, porcelain products have become even more valuable. Who can say that with the employment of a foreigner as a factory director in Wuhan, China has become a colony? Of course, in advocating things foreign, we should not have blind faith in them. The purpose of advocating things foreign is to revitalize ourselves. We should have self-respect, conduct ourselves with dignity, and maintain our personal dignity and the dignity of our country. Otherwise, we will "make an exhibition of ourselves," which is not what we want.

Go against one's superiors without staging a rebellion. This is my attitude toward the ideology and will of leaders at a higher level. By "going against one's superiors," I do not mean acting wildly or recklessly. Nor do I mean to contradict them unreasonably. What I mean is that when there are mistakes in the words and deeds of leaders at a higher level, we should, for the sake of assuming responsibility for the people and our cause, dare to oppose their orders and go against their will and should never cringe and smile obsequiously, keep our mouths shut, or say something against our will. The more senior a leader is, the more directly we should air our views to him. We should never put taking orders in the first place, always do as we are told, or look right and left to evade what is in question. When a leader retaliates and makes things hard for us, we should uphold truth all the more. My attitude is: I will resign myself to adversity and make a distinction between right and wrong at the risk of my life! As a matter of fact, expressing exhortations to a leader at a higher level indicates trust and respect for him. However, leaders at a higher level should also be large-minded enough to listen to views not pleasing to their ears. Now, there are even caricatures of leaders of our country in newspapers. However, this is only friendly humor about the leaders and does not matter much. [paragraph continues]

If we can openly criticize the leaders of our country by name in the newspapers, we will then have taken a big step forward in the process of democratization in our country. I am wondering whether the newspapers would publish a critical article entitled "Several Complaints About the General Secretary," if I wrote it now. Right now the newspapers might not publish it. However, I firmly believe that they will in future and such practices will become common and extremely normal. Of course, no matter in what way we criticize leaders at any level, or make suggestions to them, the purpose is not to willfully make trouble or create confusion, but to improve our work. Therefore, sometimes we have to act in unison and should not act as we think fit or act recklessly.

Spread freedom but not in an unchecked manner. This is my attitude toward my ideology and acts. Freedom is not endowed by heaven. Nor is it a gift from someone. Freedom is the essential characteristic of man -- the subject of social and historical practice. Freedom is the knowledge of the transformation of the objective world and of necessity. In other words, to transform the world and to understand necessity, man, the subject of practice, must be free. It is precisely because of this that numerous people with lofty ideals, both past and present, and in China and abroad, have shouted loudly for freedom and dedicated their lives to freedom. "Death is better than life without freedom." "The two (life and love) can be abandoned for the sake of freedom." Freedom is the core of democratic politics, the social principle of communism, and undeniable right of citizens of all countries. We must make full use of this right to achieve "freedom of speech" as clearly prescribed in the Constitution, to independently decide what to do according to what we think, and to freely comment on affairs of human life and political affairs according to what we think. In our country, feudalist ideology is deep-rooted and a tradition of democracy and freedom has always been lacking. Therefore, as a write, I have another responsibility, that is, to influence, with my views on freedom, those who forbid freedom and who dare act freely, so I will be able to, as Marx once said, to "awake the sense of self-respect of these people, that is, their demand for freedom" and struggle for the realization of the communist society which "regards as a fundamental principle that each individual can have completed and free development." This is by no means "bouregeois liberalization," but out-and-out proletarian liberalization. To achieve this, we must abolish "ideological crimes" and ensure that the "speaker will not be blamed" in terms of law. Besides, as Einstein put it: "To ensure that each individual can express his views without harmful consequences, it is imperative to have a tolerant spirit amount everyone in the country." Of course the ideological freedom and freedom of speech I am talking about must be confined within the scope of the constitution and should not damage the interests of the country, the society, and the collectives, or the legitimate freedom and rights of other citizens. This is what I mean by "spreading freedom but not in an unchecked manner." This is the same as Confucius said: "Do as one pleases, but do not go against the regulations."

GONGREN RIBAO DISCUSSES BANKRUPTCY LAW

HK130633 Beijing GONGREN RIBAO in Chinese 1 Nov 86 p 3

[Article by Wang Yongqing (3076 3057 3237): "Joining the Discussion on the Idea That Law Must Protect the People's Interest"]

[Text] Serving the people's interests and requirements is a principle that we must observe in the formulation of our socialist laws. In the discussion on the formuation of bankruptcy law, I think that the following points should be made clear because they are related to how the law should protect the people's interests.

First, to judge whether a law can protect the people's interests, we should see whether the law is in line with the requirements of the development of the commodity economy. That the commodity economy is recognized and put into practice in China is itself a revolution, and it is also the premise for guaranteeing the people's interests. While laws protect the existence and development of the commodity economy, they also effectively protect the people's interest. At present, no matter in what a stage the commodity economy in our country is, and no matter whether it is a real commodity economy or not, no one can deny the fact that the objective laws governing the commodity economy have exerted a great influence on our country's economy and the people's values. Markets and competition have become the objective and means of various economic activities. Some enterprises go broke due to their inability to pay debts, and this has become an inevitable result of the development of the commodity economy. New concepts of equality and rights have gradually become an important part of people's values. These facts are the results of the commodity economy, and they are also what the people have longed after. Therefore, when we judge whether the law on bankruptcy of state-owned enterprises is in line with the people's interests, we should first see whether it is based on the facts which have been brought about or will be brought about by the commodity economy. If our lawmakers disregard all these facts in real life under various high-sounding excuses, and do not take the initiative enacting new laws to suit new social relations brought about by the commodity economy, then the development of the commodity economy will be affected. This will go against the people's requirements and harm the people's interests.

Second, the protect the people's interests, laws must comply with certain objective conditions, including existing conditions and conditions and circumstances brought about in implementing laws, which in turn are favorable to the existence and functioning of the laws. Admittedly, the commodity economy in our country is not a mature one, and enterprises are not completely independent economic entities. Apart from their own business problems, if the factors which cause an enterprise's bankruptcy also include problems with the ecnomic system and policies, the formulation and implementation of a state-owned enterprises bankruptcy law may too severely punish the "daughters-in-law" who cannot control their own fate. However, this should not be an excuse for saying that the bankruptcy law is not able to protect the people's interests, or that economic conditions for enacting a bankruptcy law are not ripe. First, the condition for enacting a bankruptcy law is not the degree of development of the commodity economy, but the fact that the commodity economy will certainly cause the bankruptcy of some enterprises. Second, the forumlation of the bankruptcy law is not only based on commodity economy conditions (including the existing fact of bankruptcy), but will also create new conditions and circumstances that are favorable to its functioning. Some people said that the enterprises' decisionmaking power is not guaranteed because the economic structural reform has not been supported by corresponding political reform. This is reasonable. However, by thinking more deeply, we may find that the development of political reform is possible only when there is a contradiction between the economic and political structure, and political reform also needs the support of other systems.

We should regard the formulation of the enterprise bankruptcy law as a trial to promote political reform from the legal system angle. This is because the law on state-owned enterprises bankruptcy will not only greatly influence the enterprises, but will also have an impact on existing systems and policies which hinder the development of the commodity economy, and make the defects of these systems and policies more apparent. On the contrary, if our laws do not give consideration to the fact of enterprise bankruptcy (no matter who should bear responsibility for such bankrupty), the general public will have to silently take responsibility for such bankruptcy cases, and tacit consent will be given to the systems and policies which cause these bankruptcy cases. [paragraph continues]

Thus, not only will the contradiction between the enterprises and these irrational systems and policies be covered up, but the reform to establish a real independent ownership form in enterprises will also be hindered. Therefore, we must realize that if we do not formulate laws in light of our objective conditions, we will go against the people's requirements; and if we do not analyze the reality and possibility of the existence of the objective conditions, we will not be able to meet the people's requirements either.

Third, to judge whether a law can protect the people's interests, we should not only establish whether it can help develop advantages and eliminate disadvantages, but we should also see whether it can bring about big advantages while giving rise to some minor disadvantages. As mentioned above, the formulation and implementation of bankruptcy law under the present conditions may cause some disadvantages, but as compared with the economic losses caused by unlimited state subsidies to enterprises which fail to pay their debts, the disadvantages are merely insignificant and minor ones.

Facts have proved that the advantages of enacting a bankruptcy law in our country will far outweigh the disadvantages of doing this. What we should consider now is how to reduce disadvantages to the minimum. To achieve this purpose, we need effective political reforms and need the effective functions of the laws.

STATE ECONOMIC COMMISSION ON EQUIPMENT OVERHAUL

OW121429 Beijing XINHUA in English 1242 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- A nationwide drive to overhaul existing production facilities and equipment was launched today.

The State Economic Commission called leading officials from country's 36 departments and ministries as well as local governments to implement the 60-day program. The plan is to begin gearing up next year's production run.

Lin Zongtang, vice-minister in charge of the State Economic Commission, said at a meeting that "one of the most prominent problems in the industrial sector is that production equipment is not always working and is often under repair."

"This is factor when it come to improving product quality and production growth," he added.

He urged leading officials of various economic departments to pay great attention to the problem and take effective measures to solve it.

The industrial enterprises were also urged to introduce more advanced technology such as microcomputer technology and digital display facilities in production in order to improve machine performance and increase reliability.

AGRICULTURAL WORK MEETING CONVENES IN BEIJING

HK120751 Hong Kong HSIN WAN PAO in Chinese 23 Nov 86 p 4

["Special Dispatch" from contributing correspondent Shen Yang: "Important Beijing Meeting Discusses Next Year's Agriculture Reforms"]

[Text] Beijing, 12 Nov -- According to informed sources here, Beijing is currently holding a national agricultural work conference attended by responsible persons of all provinces, municipalities, and autonomous regions. The main items on the agenda are to discuss this year's agricultural situation and to study and formulate next year's agricultural development plans and rural economic reform measures.

It is expected that this meeting will be concerned with reform of the grain contract purchase system, and reforms of the rural supply and marketing setup and financial system; it will also deal with questions on the production structure, and how to step up the building of spiritual civilization in the rural area.

According to an analysis of available data, China's agricultural situation remains good this year. Grain output is expected to show an increase of 10 to 20 billion jin over last year. Last year's output was 750 billion jin.

However, the rate or revival of China's grain production this year was not rapid, and great efforts will be needed to meet the planned output target of 900 billion jin in 1990. Hence, howe to increase grain production remains the major issue in China's agriculture.

RENMIN RIBAO ON BANK OF CHINA, JOINT VENTURES

OW091228 Beijing XINHUA in English 0734 GMT 9 Nov 86

[Text] Beijing, November 9 (XINHUA) -- The Bank of China, one of China's official banks, has played an important role in supporting joint-ventures, the "PEOPLE'S DAILY" reported today.

The bank has already invested 1.5 billion U.S. dollars in 155 joint-ventures between China and the rest of the world, the paper reported.

The paper quoted a bank official as saying that the bank has set much store by cooperating with foreign banks or firms to back the joint ventures.

The official said the bank has invested in China's largest open-cut coal mine in Shanxi Province, where a company from the United States also invested 470 million U.S. dollars. It has invested several million U.S. dollars in a Shanghai-based car factory as well.

Apart from dealings with industrial and commercial enterprises, the bank invested four million U.S. dollars in seven leasing companies, the paper said.

The bank's performance is appreciated by foreign banks and enterprises. A foreign businessman was quoted as saying that the Bank of China offers information and consulting services, and helps build the confidence of foreign investors, the paper said.

According to the paper, the bank has links with Japan, the United States and 10 other countries as well as Hong Kong and supports joint ventures in 22 provinces and autonomous regions in China, the paper reported.

YAO YILIN CITED ON ECONOMIC WORK IN FUJIAN

OW091254 Beijing XINHUA in English 0646 GMT 9 Nov 86

[Text] Beijing, November 9 (XINHUA) -- A senior government leader said that China should be more open-minded in conducting economic dealings with the outside world.

Today's PEOPLE'S DAILY quoted Vice-Premier Yao Yilin as saying that some changes have taken place in the international market and China should seize this opportunity to introduce more foreign investment.

Yao made this statement during his four-day inspection tour in southern China's coastal Fujian Province, the paper said.

Talking about improving environment for foreign investment, Yao said Chinese enterprises should fully implement the State Council's provisions on encouraging foreign investment and improve the quality of their products so that more goods are exported, the paper reported.

As for next year's work, Yao said emphasis should be put on how to invigorate enterprises and develop agriculture. "More efforts should be made to further arouse the initiative of the workers to increase output value and profits", he said.

"We should pay great attention to agriculture, make great efforts to produce more grain and work out a long-term plan for this purpose," the vice-premier added.

11 NOV RECOGNIZED AS DATE PRC AIR FORCE FOUNDED

OW121934 Beijing XINHUA in English 1534 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- November 11, 1949 has been recognized by the Central Military Commission as the founding day of New China's Air Force, XINHUA learned today.

On that day, the commission, in a telegram, notified all military command areas and field armies of the Chinese People's Liberation Army (PLA) the establishment of the headquarters of the PLA Air Force.

Generals Liu Yalou and Xiao Hua were appointed commander and political commissar of the Air Force, respectively. Both of them are now dead.

The announcement clears up uncertainty about the exact date, the commission said.

PLA CUTS LOGISTICS, SUPPLY STAFF BY THIRD

HK130757 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0410 GMT 14 Nov 86

[Text] Beijing, 13 Nov (ZHONGGUO XINWEN SHE) -- The PLA logistics and supply departments have reduced their staff by one-third. With departmental reorganization the staff has become smaller in number but more efficient.

To date, all logistics organizations, scientific research units, motor vehicles and telecommunications project construction, and pipe and cable laying units of the logistics departments have completed their streamlining and reorganization tasks. Office staff have been reduced by half. The streamlining and reorganization work in hospitals, convalescent homes, warehouses, and schools directly attached to the logistics departments is being carried out. The work is expected to be completed by the end of this year.

The entire staff of departments where intellectuals are concentrated has been slashed but the number of doctors, teachers, and scientific research personnel remains basically unchanged. The current personnel cuts involve mainly administrative and supply personnel.

XI ZHONGXUN MEETS DELEGATES FROM XINJIANG

HK120907 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 9 Nov 86

[Text] On 9 November, Xi Zhongxun, member of the Political Bureau of the CPC Central Committee, made a special trip to the Xinjiang office in Beijing to meet cordially with all delegates from Xinjiang who are now attending a symposium on strategies for economic and social development in Xinjiang.

After listening to a briefing given by Song Hanliang and Tomur Dawamat on the symposium, Xi Zhongxun said: It is a good thing that you have come to Beijing to attend this symposium on strategies for developing Xinjiang. It is necessary for you to listen to specialists' opinions for you can get much inspiration from their opinions. The essential thing is that we must proceed from reality and have a good understanding of the practical situation, so that we can avoid mistakes in making policy decisions.

Xi Zhongxun said: Xinjiang has bright prospects and is full of promise. The success in Xinjiang will be of great significance not only to the country, but also to the whole world.

He said that Xinjiang is a place with various nationalities. All nationalities must pay attention to equality and to helping each other. They must unite with each other. Only thus, can they properly carry out all the work in Xinjiang.

Comrade Xi Zhongxun warmly shook hands with the delegates from Xinjiang and they extended regards to each other. He also visited the showroom of industrial, agricultural, and sideline products from Xinjiang.

LI PENG ON REVITALIZING IRON, STEEL INDUSTRY

OW120731 Beijing XINHUA Domestic Service in Chinese 1517 GMT 6 Nov 86

[By LIAONING RIBAO reporter Yu Shichang, XINHUA reporter Wang Jianmin]

[Text] Shenyang, 6 Nov (XINHUA) -- After investigation and study of the Anshan and Benxi iron and steel complexes between 1 and 5 November, Li Peng, vice premier of the State Council, called for two things: One, to revamp old enterprises through reform and the policy of opening to the outside world; the other, to carry forward the Meng Tai Spirit of the 1980's, in order to revitalize China's iron and steel enterprises.

Li Peng said: The iron and steel industry has been a weak link in the four modernizations and a restraining factor in economic development, because the state has to spend a great deal of foreign exchange on imported rolled steel each year in order to meet the needs of production and construction projects. If such a situation continues, it will not only consume a lot of the nation's foreign exchange, but also put China's economy in a passive position. According to Premier Zhao Ziyiang's instructions, the State Council recently adopted an important policy of developing China's iron and steel industry by utilizing foreign capital. The state will set up a power and highly efficient organization to handle this matter through unified planning.

Dwelling on the issue of developing the iron and steel industry by utilizing foreign capital, Li Peng pointed out: First, comparing building new iron and steel enterprises with renovating and expanding old, we should focus on the latter, because current enterprises display great potential for fund-saving, effectiveness, and efficiency through technological innovation and modernization. Second, we should spend foreign funds on the most urgent projects, such as bringing in advanced technology and importing key equipment, while using domestic funds in construction projects, involving technological innovation, and in manufacturing parts and accessories for imported equipment. In order to get twice the result with half the effort, we should bring the initiative of local authorities, departments, and enterprises into full play by distributing rolled steel and dividends in accordance with the number of shares they hold. Third, while undertaking projects, we should use optimum methods. That means, domestically, we should choose those enterprises using less foreign and more domestic funds in proportion, having more favorable conditions for investment, and greater technical capability; with foreign countries and companies, we should shop around in order to find those manufacturing quality equipment with early delivery and favorable prices, and willing to transfer key technology to China. Fourth, the central issue for utilizing foreign capital is to replace imports with domestic products (that is, to substitute imported rolled steel with that domestically-manufactured.

The capability of replacing imported with domestically-manufactured rolled steel should be termed one of the major conditions for determining those projects to be carried out. The quantity of domestic production to replace the imported will be designated by the state, local authorities, and departments on a proportional basis.

Li Peng emphatically pointed out: It is also necessary to pay great attention to building spiritual civilization, during the course of revitalizing China's iron and steel industry, by carrying forward the Meng Tai Spirit of the 1980's, carry on the glorious tradition of loving one's factory as one's family, and struggle relentlessly like the advanced individuals of former generations.

Li Peng said: To revitalize China's iron and steel industry would be out of the question without education and skilled personnel. Therefore, it is essential to promote elementary, higher, vocational, and adult education. As for enterprises, the focus should be on developing vocational education to improve workers' performance levels. In order to run an enterprise well, it is necessary not only to have a group of engineers, economists, and management personnel, but also to have a group of high technology workers and technicians.

DENG YINGCHAO WRITES ARTICLE ON SUN YAT-SEN

OW111626 Beijing XINHUA in English 1439 GMT 11 Nov 86

[Text] Beijing, November 11 (XINHUA) -- A senior Chinese leader praised Dr. Sun Yat-sen today as a great forerunner of the Chinese Revolution and modernization.

In her article made available to XINHUA today, Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, said that Sun's revolution aimed to make China catch up with Western capitalist countries; thus he was a great pioneer of China's modernization.

Deng wrote the article to commemorate the 120th anniversary of the birth of Dr. Sun Yat-sen, who led the 1911 revolution to overthrow the Qing Dynasty, the last of China's feudal dynasties.

Therefore, his feats are indelible, and more noteworthy is that after the revolution, he united with the communist party and relied on the workers and peasants to push forward the revolution, Deng said.

Sun was brave in revising his concepts and propositions. His fundamental concept was "to suit the world's trends and meet the people's needs," Deng wrote.

Sun reiterated that China should and could become among the most advanced countries in the world and make its people's lives happy. "His belief, which is also the aspiration of the Chinese nation, is still encouraging us," Deng said.

Though he did not live to see the victory of the Chinese revolution, Sun put forward many important concepts for the construction of the country.

He said in order to become strong, China must learn whatever is good from foreign countries by implementing an open policy, Deng said.

But, Sun also stressed the idea that the adopted methods should suit the Chinese conditions and opposed imitating everything foreign. This concept still applies to China's situation, Deng said.

Sun paid great attention to the task of unifying the country, considering it a key condition for China's construction, Deng said, adding that the Taiwan authorities should contribute to the unification of the country through cooperating with the mainland.

"Only in this way, can the Taiwan authorities say that they are loyal to Dr. Sun's will," Deng concluded.

CPPCC HOSTS RECEPTION ON SUN YAT-SEN'S BIRTHDAY

OW121944 Beijing XINHUA in English 1636 GMT 12 Nov 86

[Text] Beijing, November 12 (XINHUA) -- The National Committee of the Chinese People's Political Consultative Conference held a reception this evening to honor those from abroad coming to commemorate Dr. Sun Yat-sen's 120th birth anniversary.

Chinese leaders Wan Li, Xi Zhongxun, Zhu Xuefan, Bainquen Erdini Qoigyi Gyaincain and Chu Tunan were present on the occasion.

Wan Li spoke on behalf of the Central Committee of the Chinese Communist Party, the Standing Committee of the National People's Congress, the State Council and the CPPCC National Committee.

Wan said, "while commemorating Dr. Sun Yat-sen, we should carry on his patriotic and revolutionary spirit and his goal of invigorating the Chinese nation."

But, he said, "it is a pity that the mainland and Taiwan are still separated. To bring this sad situation to an end as quickly as possible is the common desire of the people living on both sides of the Taiwan Straits."

Wan Li quoted Dr. Sun as saying, "when the country is united, its people benefit. Otherwise, they suffer."

He called upon those in power in Taiwan to act wisely by contributing to China's reunification.

FUJIAN COMPANY TO ISSUE $50 MILLION PAPER

HK080602 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 8 Nov 86 p 3

[Text] Fujian Investment and Enterprise Corp (FIEC) will issue a U.S. $50 million commercial paper in Singapore on November 17, company chairman Zhao Zongxin said yesterday.

The issue marks the third time FIEC has raised funds overseas. Last year, the company issued two 10-year bonds in Tokyo for five billion yen (about HK$250 million) and 10 billion yen each.

Mr Zhao said the date of the Singapore issue was chosen in order to take advantage of the current trend towards lower interest rates.

The 10-year credit facility will carry a fixed rate of 77 basic points over the U.S. Treasury bill rate, and the issuing price will be 1.5 percent above the coupon price.

Mr Zhao admitted the rate was low, but said investors would gain as interest rates continued on their downward trend.

The issue will be lead managed by First Chicago of the U.S. and Nomura Securities of Japan. Around 20 other financial institutions, of which half are Japanese, will act as managers and underwriters.

Mr Zhao said the high number of Japanese firms participating in the issue was the result of strong relationships they had established with FIEC through previous issues.

But one report suggested Japanese involvement was more the product of the bilateral tax agreement between China and Japan, which allows Japanese enterprises investing in Chinese commercial papers a reduction of 10 percent on their withholding tax.

The $50 million raised will be used to finance several projects in the province, including a photographic film manufacturing plant and an airline.

SHANGHAI SAVINGS DEPOSITS REACH RECORD HIGH

OW121923 Beijing XINHUA in English 1447 GMT 12 Nov 86

[Text] Shanghai, November 12 (XINHUA) -- Savings deposits in Shanghai had a balance of nine billion yuan by the end of October, an all time high figure and averaging 760 yuan per capita, an official at the Shanghai branch of the People's Bank of China said here today. Shanghai is China's leading industrial center, with a population of 12 million.

The official said as the living standard rises, people keep more and more money to purchase high-grade goods and durables.

The average income of Shanghai residents in the first half of this year went up by 12.1 percent.

HUNAN PARTY RECTIFICATION MEETING SETS REQUIREMENTS

HK120903 Changsha Hunan Provincial Service in Mandarin 1100 GMT 9 Nov 86

[Text] At the critical moment when most of the province's units have entered the stage of taking disciplinary measures against party members who have committed mistakes and conducted party membership registration, the provincial party committee office for guiding party rectification held a report meeting on the work of village-level party rectification. The meeting urged all localities to do well from start to finish and with high quality work. In light of problems concerning the diversified efforts of leadership and the unimplemented contract responsibility system of party rectification, the meeting proposed three specific requirements.

First, secretaries of county party committees must concentrate their efforts on party rectification in the rural areas and seriously implement the contracted responsibility system for work leaders.

Second, we must guarantee the quality of examination work and guard against units that perform their work in a superficial way. Examination work should follow the criticism and self-criticism as well as simultaneous rectification and the correction of defects. Units whose work fails to meet standards should promptly make up for this. Only when these units complete their work with the required standards will they be allowed to enter another stage.

Third, we must really do well in the work of taking disciplinary measures against party members who commit mistakes and conduct party membership registration. We must also do well in enforcing the present regulations and maintaining the present system.

This report meeting, divided into two sessions for southern and northern areas, was respectively held in Yiyang Prefecture and Hengyang County in late October and early November.

HUNAN MANAGER EXPELLED FROM PARTY FOR WRONGDOING

HK121157 Changsha Hunan Provincial Service in Mandarin 0100 GMT 19 Nov 86

[Excerpts] On 6 November, a responsible person of the discipline inspection group of the provincial Machine Building Industry Department told our reporter that (Chen Guoxiang), deputy manager of the provincial Automobile Industry Company, was recently expelled from the party for reselling cars at a huge profit. This was approved by the provincial Discipline Inspection Commission.

(Chen Guoxiang), 34, held posts in Huarong County from January 1984 to January 1986. He held such posts as deputy secretary of the (Nianshi) Township party committee and deputy director of the Huarong County Industrial and Communications Committee. During this period, by taking advantage of his position, he obtained four permits to buy cars from the provincial Automobile Industrial Company and the provincial Support Agriculture Automobile Service Office and then illegally sold them to make a huge profit. He made a profit of 19,100 yuan from the reselling. [passage omitted] In April 1986, the Huarong County Party Rectification Office reported (Chen Guoxiang's) serious economic problems to the provincial Party Rectification Office. After being criticized and educated by the leaders of the provincial Machine Building Industry Department, (Chen Guoxiang) candidly admitted his mistake and willingly gave up all his ill-gotten gains. This case is now being investigated and handled by the East District People's Procuratorate of Changsha City.

BEIJING EXECUTES THIEF OF GOLD RINGS

OW080916 Beijing XINHUA in English 0828 GMT 8 Nov 86

[Text] Beijing, November 8 (XINHUA) -- A thief, convicted of stealing valuable gold rings, was executed this morning by firing squad, according to the municipal Police Bureau.

Zhang Weifu, 24, was sentenced to death by the city's Intermediate People's Court in August and his appeal to the city's higher court rejected, on charges of stealing 1,546 gold rings valued at 458,500 yuan (123,900 U.S. dollars).

According to a bureau spokesman, "Zhang broke into a factory where precious metals are processed on August 29 last year and stole the rings after cracking a safe. After the theft, Zhang also entered a nearby arts and crafts factory and stole a pair of gold earrings."

"This was the most serious robbery case for the past three decades," the spokesman said.

Zhang had been at large until this April when police nabbed him and his three accomplices Zhu Yanhua, 31, Xie Yanqun, 25, and Shi Zhenghua, 31, the spokesman said.

The court gave Xie Yanqun a two-year suspended death sentence, Shi Zhenghua was sentenced to life imprisonment, and Zhu Yanghua to 7 years imprisonment.

BEIJING SECRETARY ATTENDS CORPORATION INAUGURATION

SK080712 Beijing BEIJING RIBAO in Chinese 31 Oct 86 p 1

[Excerpts] The Beijing Liyuan Daily Chemicals Cooperative Company, which produces such cosmetics for daily use as "Oqi" brand and "Huazi" brand cosmetics, has made a new stride in economic structural reform: It has been restructured into a corporation. The establishment of the Beijing Liyuan Daily Chemicals Corporation was formally declared yesterday. It is the first joint-stock enterprise among the municipal state-run industrial enterprises.

Based on voluntary participation and mutual benefits, it has been formed on the initiative of the original 12 enterprises and 1 research institute of the Liyuan Daily Chemicals Cooperative Company. After the establishment of the corporation, it will issue stocks and bonds to society, enterprises, and individuals. [passage omitted]

The purpose of establishing this corporation is to separate ownership with operational power, to better integrate workers with the means of production, to closely link the enterprise's economic results with the immediate benefits of the producers and dealers, and to develop it into a new enterprise that spans departments, various trades, and state enterprises.

It has been learned that this year the corporation will issue to society 3 million stock certificates. Each share will be valued at 100 yuan.

Li Ximing, secretary of the municipal party committee; Wang Guang, member of the Standing Committee of the municipal party committee; Vice Mayor Zhang Jianmin; and Wang Wenzhe, vice minister of light industry, attended the inaugural meeting. Some foreign firms and organizations sent telegrams and letters of congratulations to the meeting.

BEIJING MAYOR DISCUSSES SERVICE WORK AT MEETING

SK080504 Beijing BEIJING RIBAO in Chinese 30 Oct 86 p 1

[Excerpt] "Over the past 4 months, the municipality as a whole has scored initial success in implementing the guidelines of the municipal service work conference. However, we should not slacken our efforts. We should make continued efforts to carry out, improve, and promote reform, do a good job in ideological and political work, and grasp various service tasks during winter in order to unceasingly improve and raise the service quality and service levels." The above remarks were made by Mayor Chen Xitong at a meeting of district, county, and bureau leading cadres sponsored by the municipal party committee and government on the afternoon of 28 October. Jin Jian, deputy secretary of the municipal party committee, reported on the municipality's situation in conducting general discussions on improving service work in July, August, and September, and set demands for improving the capital's service work.

Municipal leaders including Li Ximing, Wang Guang, Li Guang, Sun Fuling, and Feng Mingwei attended the meeting.

The meeting affirmed the initial success in the previous stage of work on comprehensively improving services, which mainly included the following:

We have succeeded in enhancing ideology and deepening reform. The broad masses of cadres and workers have enhanced their awareness of the capital and their sense of the commodity economy, service, and development; further overcome the ideas of ignoring commerce and service; and promoted the progress of reform. All catering, service, and repair trades and enterprises throughout the municipality have implemented the lease contract system, made rapid progress, and scored remarkable results. Enterprises have implemented the management contract responsibility system at each level and further overcome the phenomenon of egalitarianism and the "big rice bowl." Many enterprises have implemented the new labor management method on a trial basis. All forms of lateral economic cooperation have further developed.

NEI MONGGOL SECRETARY HEARS DELIVERY OF THESES

SK120510 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 11 Nov 86

[Excerpts] In close connection with reality in their work and thinking, leading comrades of various leagues, cities, banners, and counties who are attending the regional meeting of banner and county party committee secretaries focused their efforts on replying to queries on their theses and making appraisals of others' theses, thus raising their awareness in implementing the party's ideological line of seeking truth from facts and the economic construction principle of promoting a diversified economy while emphasizing forestry and animal husbandry.

Since the beginning of this year, leading comrades of various leagues, cities, banners, and counties, following the arrangements of the regional party committee, have extensively studied important articles such as Comrade Mao Zedong's On Practice, Comrade Deng Xiaoping's Emancipate the Mind, Seek Truth From Facts, and Unite as One To Look Forward, and Changes in the Party and State Leadership System, Comrade Hu Yaobang's Be a Thorough Materialist, and the Resolution on Several Questions Concerning the Party History Since the Founding of the PRC. After conscientiously studying and penetratingly mastering the guidelines of the articles and the resolution, they have persistently conducted investigations and studied at grass-roots units, earnestly summed up positive and negative experiences gained during the past three decades and more, explored the strategies for the economic and social development of their localities together with the masses of various nationalities, and meticulously written more than 20 theses by themselves. When asked by this reporter what they felt, some leading comrades said: The present activities of making replies and appraisals of the theses represent a restudy of the Marxist theories and methodologies. They helped to raise the awareness in respecting practice and braving the way forward. They also represent an actual examination on the ideological, leadership, policy, and theoretical levels of leading cadres. Many leading comrades also said: The activities have enabled us to earnestly review and sum up historical experiences, emancipate our minds, broaden our field of vision, and renew our ideas. They have also enabled us to enhance our understanding of the reality of our own localities and of economic development, and to have more initiative in implementing the party's ideological line of seeking truth from facts, and the principle for economic construction of promoting a diversified economy while emphasizing forestry and animal husbandry. [passage omitted]

Leading comrades of the regional party committee, including Zhang Shuguang, Bu He, Qian Fenyong, Batubagen, and Tian Congming, were present from the beginning to the end when the theses were being delivered. They also gave their views on the theses. [passage omitted]

SHANXI LAUNCHES VILLAGE-LEVEL PARTY RECTIFICATION

HK120839 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 9 Nov 86

[Text] According to SHANXI RIBAO, the province has launched throughout the province party rectification at the village level. Except for those in 140 experimental units, 31,449 rural party branches as well as over 670,000 party members in the rural areas have participated in the work.

In early October following the conclusion of the provincial conference of prefectural and city party committee secretaries, which was convened by the provincial party committee, the province's 11 prefectures and cities formulated their plans for implementing village-level party rectification.

Except for [words indistinct] County, the province had started full swing into party rectification work at the village level by 5 November. In order to fulfill party rectification work in an all-round way, the provincial party committee acted in the spirit of the instructions of the Central Commission for Guiding Party Rectification. Between March and September this year, the provincial party committee organized over 8,000 people to conduct investigations among 3,000-odd rural party branches. The provincial party committee therefore basically had a clear idea about their present situation in the areas of studying documents, party members, as well as the two serious problems concerning the leading cadres of party branches. Based on this, the province consolidated 2,166 party branches which were unable to carry out or guide the party rectification work.

By readjusting their principal members, the province improved their capability and made solid organizational preparation work for them for doing well in village-level party rectification.

Various localities in the province have organized teams of 100,000 specialists and professional people for consolidating the financial work among 31,998 villages. They closed the loopholes and with the law punished a number of embezzlers and burglars. They also educated the party members and cadres and removed obstacles hindering the village-level party rectification work.

In order to ensure smooth progress in the work, the provincial, prefectural, city, county, and township leading organs selected 35,466 people in charge of liaison and situation reporting work. They have gone down to the front line of the work. At present, the province's rural party branch have just started studying the party rectification document.

RENMIN RIBAO CITED ON TIANJIN'S CARGO HANDLING

OW071232 Beijing XINHUA in English 0813 GMT 7 Nov 86

[Text] Beijing, November 7 (XINHUA) -- Tianjin's port no longer has a waiting list of ships lined up to be loaded or unloaded, while in the past as many as 120 ships would sit idly anchored in the bay for lack of port facilities, according to today's "PEOPLE'S DAILY".

The change took place this year, and the port has already handled more ships than it did all of last year. More [than] 2,200 vessels have passed through the port this year and berths are waiting for incoming ships.

The port in Tianjin, one of the largest in northern China, is an international harbor that has trade links with 150 countries and regions. It handled 18.56 million tons of cargo last year.

The delays of the past sometimes cost losses of up to 300,000 U.S. dollars a day, according to a port manager.

This year, the port has opened three new berths designed to handle container shipments at a rate of 300,000 standard containers a year.

The expansion of a bulk grain terminal will be completed by the end of this year. It will be able to handle 3.5 million tons of grain, an increase of more than 50 percent.

Earlier this year, the port authorities announced a plan that will increase the port's cargo-handling capacity by [at] least four times.

The expansion program includes the construction of 33 new berths before 1990, that will be capable of handling the world's largest oil tankers.

BRIEFS

TIANJIN TOWNSHIP ENTERPRISES -- The economy of the town and township enterprises in Tianjin Municipality continues to steadily increase. As of the end of August, the output value realized by the municipality's town and township enterprises reached 2.55 billion yuan, an increase of 16.83 percent over the corresponding period of last year. [Excerpt] [Tianjin TIANJIN RIBAO in Chinese 3 Oct 86 p 1 SK]

SHAANXI SECRETARY ADDRESSES CULTURAL FORUM

HK120911 Xian SHAANXI RIBAO in Chinese 26 Oct 86 pp 1, 2

[Speech by Bai Jinian (4101 4764 1628) at a forum on writers and artists taking up part-time jobs to gain a better understanding about life -- no date given]

[Text] Our writers and artists are in the forefront in the building of spiritual civilization. The resolution of the Sixth Plenary Session specifically discussed work in the fields of education, science, and culture. In implementing this resolution, some work is long-term and focuses primarily on two aspects: One is strengthening ideological and political work, and the other is work on the cultural front including news, broadcasts, movies, television, literature, arts, publications, and others. I do not mean to belittle science and education, but some things in science and education work slowly. On the other hand, ideological and political work and all aspects of cultural work, notably the newspapers, broadcasts and television, which greet the public every day -- they receive direct and marked results. It has been suggested by the Propaganda Department -- and responded to by the Federation of Literary and Arts Circles, different associations, and artistic groups -- that writers and artists be systematically organized in various periods and various batches to take up part-time jobs and plunge into the thick of life. This is an excellent step as it fully accords with the spirit of the resolution of the Sixth Plenary Session, and is also an important measure to enhance our ideological construction and strengthen the building of spiritual civilization. The measure gained the positive response of the great masses of writers and artists, and it was said that many of them fought to be included and asked to be sent down. This is indeed very good and should be lauded. I believe that the comrades who plunge into the thick of life will be able to come up with more and better spiritual creations.

Our writers and artists in Shaanxi have consistently persisted in going deep into the realities of life and have had a glorious tradition in this aspect. Liu Qing was not the only one to do so; during the War of Resistance Against Japan, writers and artists in the Shaanxi-Gansu-Ningxia border area were often among the people -- there was such a fine tradition. In 1943, almost all the students at the Lu Xun Academy of Arts went down to the people. Many musicians, painters, writers, and poets went to the villages. Some became village secretaries; some worked as Propaganda Department heads and secretaries of prefectural party committees; others were grade school teachers; and still others performed other jobs. I once worked at the grass roots with Li Ji [2621 1323]. If he had not plunged into the thick of life, Li Ji would not have been able to write "Wang Gui and Li Xiangxiang." Today, as we enter the period of socialist modernization and construction, particularly after the CPC Central Committee has appealed for strengthening the building of spiritual civilization, it is even more necessary that our writers and artists plunge into the thick of life. This is not only a question of inheriting and promoting glorious traditions; it will also enable our new generation of writers and artists to mature faster and create new works of a new era.

I feel that in going deep into the realities of life, one of the questions that needs attention is how to correctly approach the people. Close links with the people is one of our party's three major fine traditions. To a statesman, relating or not relating to the people is a question of political and work style. To a writer and an artist, it concerns the issue of plunging into the thick of life. Some people may have gone to the countryside for a month but may not necessarily hear the truth. However, there are some who after 3 days would be able to have the people confide in them and gain many insights into the true state of things. [paragraph continues]

To be able to accomplish this, it is necessary to regard the people correctly. It is necessary to share the people's thinking and sentiments, to truly understand them, to breathe with them and share their fates, to think what they think, and to share their anxieties, their loves, and their hatreds. It is imperative to regard oneself as an ordinary working person and as one of the people. It is necessary to really harmonize with the thoughts and feelings. One should not simply look at the people as a subject material. It is imperative to cultivate the true thoughts and feelings of the people. The first thing is to love the people.

Two things are necessary to truly plunge into the thick of life and reap results. One must not only understand the people and share their thoughts and sentiments, but one should also correctly analyze and recognize the ideological trends of the people. Why is this question raised? For instance, a great batch of party and government cadres went down into the countryside this year. Before having contact with the masses, some cadres usually think of more the positive side; but once they come face to face with reality, they dwell excessively on the backwardness of the people. In looking at everything, be it the positive or negative side, good or bad, the past or the present, we should always make an objective and overall analysis. It is necessary to acknowledge the people's hidden zeal and their enthusiasm for socialist construction as reflected in daily life, as well as acknowledge their backwardness. One should not just look at the good side and ignore the bad side, nor vice versa. If one were to just look at the bad side, one would lose confidence. In seeing only the good side, one would easily be blinded and misled. In the past, we have often suffered setbacks because of prejudiced views. In their work reports after coming back from the countryside, some cadres only announce the good news and not he bad news, or do the opposite.

The next point is the most important. That is, it is necessary not only to be a student of the people but also to be their mentor. It is imperative not only to learn from the people, but also to help them resolve their difficulties in production and in life, to educate them, and to help raise their political consciousness. You must use varying art forms such as movies, television, operas, music, and dance; use your pen and your voice, use the literary and artistic weapons you hold in order to educate and touch the people, raise their ideological consciousness and their cultural accomplishments, and enhance the realm of their spiritual world and their moral quality. In a word, you must encourage the people to study and work harder and to dedicate themselves to the "four modernizations." This is the huge task shouldered by our writers and artists. This should be the point of departure and of return of our plunging into the thick of life. This is my first view as regards your going down into the realities of life.

Another point: The party Central Committee's resolution on strengthening the building of spiritual civilization dealt specifically with one exposition. It called for the great task of "renaissance of Chinese civilization." How does one comprehend and carry out the "renaissance of Chinese civilization?" This is a major issue. We in Shaanxi occupy a special position in the "renaissance of Chinese civilization." The Huang He Valley is the cradle of the Chinese nation, and thus, Shaanxi is one of the "cradles." During the Zhou, Qin, Han and Tang Dynasties, Shaanxi's culture flourished. This is our pride and glory. Hence, we must make contributions corresponding to our special position. Shaanxi's literary creations, folk arts, play and operas, music, and fine arts occupy a definite position in the country. This is so whether one is talking of the results, the talents, or the influence. However, we should consider that in the great historic mission of the "renaissance of Chinese civilization," what role should we play and in what areas should notable contributions be made? It is necessary not only to critically inherit historical traditions, but also to fully embody the spirit of modern times. Dross and backward materials should not be inherited. What is the true spirit of the times? What is the spirit of our socialist era? Everyone should thoroughly study and explore this question.

I feel that the spirit of the socialist era should be just as was stated in the resolution of the Sixth Plenary Session; that is, the spirit to struggle for common ideals, the noble moral values of socialism, the high efficiency and fast rhythmn, the industrious labor and hard work, the spirit to struggle in order to develop social productive force and to create a high degree of material civilization as well as socialist spiritual civilization. One cannot immediately fully comprehend and accurately explain this question. However, as to the issues which are already understood, it is necessary to make prompt decisions, discard the dross, and retain the essence. As for the still incomprehensible issues, it is imperative to continue exploration and study. On issues that are still vague, one must wait. Varying viewpoints may be discussed. Literature and art must be based on the country and look toward the world. How can they be based on the country and how can they reflect our fine traditions and the spirit of our times? It is necessary to continue exploring. The resolution of the Sixth Plenary Session put forward a higher demand for the educational, scientific, and cultural workers, as well as for leading cadres at all levels, asking them to provide rewards and support to excellent spiritual works and fine talent. In particular, it is necessary to put up some kind of award that would represent the scientific and cultural standards of our nation and be considered a sublime honor. This year, our province's entire cultural front gained comparatively good results. The Shaanxi opera "An Emperor of the Ages" and the movies "Wild Mountains" and "Black Cannon Incident" won national awards, while the play "Moon on the Night of the 15th" had more than a hundred performances. This year, the provincial television station also produced some very good television dramas. "Li Xin and Hong Niangzhi" and "One-Legged Champion" were quite good. Comrade Yuan Enfeng's solo vocal concert which had a fine tradition and national style was staged in Zhongnanhai's Huairen Hall. We placed first together with Beijing and Shanghai at the Sixth National Fine Arts Exhibit. There are still many more fine literary works. The great masses of our province's cultural and artistic workers have made enormous contributions to the building of socialist spiritual civilization, and the provincial party committee thanks you. It also hopes that you will continue to make progress on the present basis, and that with this going down into the thick of life as a starting point, you will propel the cultural and artistic cause into a new phase. At the end of this year, we should review the progress and in accordance with the spirit of the resolution of the Sixth Plenary Session, offer material and spiritual rewards to fine works and talented people with notable contributions. I propose that big and important awards be accorded to some particularly superior works and talents. Beginning next year, cultural facilities must be greatly reinforced, while definite guarantees of material requirements needed in the ideological and cultural fronts must be provided. It is necessary to offer better and more generous conditions in some areas. The problem is that we are too much in debt in this area. We will gradually resolve the issue in accordance with the financial situation. Next year, we will somewhat reduce items in some other areas in order to ensure the supply of facilities and requirements needed in the building of spiritual civilization and in the ideological and cultural fronts. Many writers and artists want to take part-time jobs and plunge deep into the thick of life. You may express your opinions and we will try to make rational arrangements.

A last word, and that is to strengthen relations. In the past, we did not have enough contact with everyone. If you should have any problems, you may either write or make an appointment to see me and put forth any questions. Naturally, in resolving problems, we have to act in accordance with the party's principles. However, it is entirely alright to discuss problems and exchange views and ideas. Particularly the comrades who are going to the countryside -- if you feel there are major problems in actual work that should be noted, discussed, and studied by the provincial party committee, you may write a report. In addition, meetings such as this one held today will be held twice a year. It may be held jointly by all departments in literature and arts, or held separately. [paragraph continues]

I am also aware of the problems of accomodation as well as of other difficulties in living conditions of writers and artists, so I will not dwell on that here. We plan to systematically and gradually resolve them. Summing up, the provincial party committee and the party committees at all levels will do everything to provide better conditions and more services to our writers and artists, to the entire cultural front, and to the building of our spiritual civilization.

XINJIANG HOLDS FORUM ON DEVELOPMENT STRATEGIES

OW110452 Beijing XINHUA Domestic Service in Chinese 0920 GMT 8 Nov 86

[By XINHUA correspondent Yan Guangrang and RENMIN RIBAO reporter Ren Yinong]

[Excerpts] Beijing, 8 Nov (XINHUA) -- Well-researched and scientifically-assessed strategic measures formulated to develop the Xinjiang Uygur Autonomous Region have become the focus of attention in Beijing and been well-received by the economic and academic circles here.

The strategic measures, announced at the forum held here on strategies for economic and social development in Xinjiang, can be summarized as follows: At a time when the state cannot direct its main attention to western China, in the near future and when Xinjaing's underground resources cannot be quickly tapped on a large scale, the regional authorities should give priority to developing and utilizing surface resources. They should also emphasize developing agriculture and animal husbandry as well as light, textile, and foodstuff industries that use agricultural and livestock products as raw materials in order to bring along development in economic and other areas in Xinjiang. At the same time, they should step up prospecting for underground resources and paving the way for large-scale exploitation in the future. [passage omitted] Xinjiang is a vast territory with abundant natural resources. When inspecting Xinjiang, Hu Yaobang, Zhao Ziyang, and other leading comrades all stressed the importance of developing and constructing it and set forth the strategic goal of making Xinjiang China's most important base in the 21st century. [passage omitted]

Since mid-spring this year, principal leading comrades of the autonomous region including Wang Enmao, Song Hanliang, and Tomur Dawamat have, together with cadres of departments and bureaus concerned, visited Hotian and Kashi Prefectures, Kizilsu Kirgiz Autonomous Prefecture in southern Xinjiang, and pasture land in northern Xinjiang for investigation. There are rich underground mining resources like oil in these prefectures and this autonomous prefecture, but the quantity of proven reserves is not clear, and there is a shortage of financial and material resources essential for their exploitation. In addition, people in these three prefectures in southern Xinjiang and Xinjiang northern pastoral areas are still poor. However, the advantages enjoyed by these areas in having quality cotton, beetroot, melon, fruit, and other cash crops as well as animal husbandry resources were far from having been brought into play. They could have been instrumental in helping people shake off poverty and become better off if a little more investment had been made. The fact has made leading comrades in the autonomous region realize further that they should not only set their sights on the future but also the present in developing Xinjiang's economy. The present task is to strive to transform its backwardness and help people of all nationalities become well-off as soon as possible. The work therefore should begin with bringing the advantages of ground resources into play and creating conditions for all-round development and construction in the future.

In the past few years, leading comrades from the party and government in Xinjiang visited all prefectures and autonomous prefectures, and over half of all counties and cities in Xinjiang to investigate farming zones, pasture areas, and industrial and mining enterprises.

The more they investigated, the clearer a picture they got of Xinjiang's situation. On the one hand, they know that Xinjiang has rich underground resources such as petroleum, coal, and nonferrous metals. There are bright prospects for development. On the other hand, they are fully aware of the difficulties confronting Xinjiang including poor communications, lack of skilled personnel and capital, and a weak industrial infrastructure. They realize that only by proceeding from reality, making the best possible use of favorable conditions and avoiding unfavorable ones, and following the process of developing surface resources first and then underground resources in Xinjiang can they lead all nationalities on the road to prosperity as quickly as possible and realize more effectively the central authorities' strategic goal of developing and constructing Xinjiang. The newly proposed strategy for Xinjiang's economic and social development is the product of this guiding thought.

On many occasions in the past few years, the party committee and the people's government of the Xinjiang Uygur Autonomous Region invited comrades from the central departments, domestic scholars, and experts to visit Xinjiang and solicited their opinions. In the course of complementing and perfecting the strategic plan for Xinjiang's economic and social development, they first invited scholars and experts in the autonomous region to assess and discuss the plan. After being revised, they held a development strategy forum in Beijing with the State Council's Development and Research Center and the Management Research Center of the State Economic Commission, hoping that with opinions of scholars and experts from the central departments the plan would be revised again to become even more practical and feasible.

Regional Leaders Attend

HK120643 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 6 Nov 86

[Text] The Xinjiang office in Beijing today was filled with many distinguished guests. A symposium on the strategies for economic and social development in Xinjiang opened here today.

The symposium, jointly sponsored by the Economic, Technological, and Social Development Research Center under the State Council, the Economic Management Research Center of the State Economics Commission, and the Xinjiang Regional People's Government, was a high-level discussion meeting. All relevant departments of the CPC Central Committee and the State Council have paid great attention and given vigorous support to the symposium. Specialists and scholars of all fields in Beijing have also been very much concerned about it. Some 250 leaders, specialists, and scholars from over 130 units and departments under ministries and commissions of the CPC Central Committee and the State Council, scientific research institutions, and institutes of higher learning attended the symposium. Representatives from Beijing, Shanghai, Tianjin, Jiangsu, Gansu, Qinghai, Ningxia, and Shaanxi were invited to attend the symposium.

The convocaton of the symposium was an important step taken by the Xinjiang regional party committee and government to make the policy decisions on nationalistic and scientific strategies for economic and social development in Xinjiang. This symposium will play an important role in promoting steady and coordinated economic development from the last 4 years of the Seventh 5-Year Plan to the end of the century and in building Xinjiang into China's strategic base in the 21st century.

At the Symposium, the participants will seriously listen to opinions from all departments of the CPC Central Committee and State Council and various specialists in Beijing on strategic principles, strategic targets, the strategic focus, strategic plans, tactics, and measures for Xinjiang's economic and social development.

They will draw on collective wisdom, absorb all useful ideas, and conduct serious research and exposition, so as to open up a path for economic and social development which corresponds to Xinjiang's reality and to match strategies for economic development of Xinjiang with the that of the whole country.

Regional leaders Song Hanliang, Tomur Dawamat, Huang Baozhang, Hederbai, Jin Yunhui, Mao Dehua, and responsible comrades of all regional departments attended the symposium and seriously listened to opinions of the specialists.

Tomur Dawamat presided over this morning's session and delivered a welcoming speech.

Song Hanliang and Huang Baozhang respectively briefed the participants on the guiding principle of strategies for economic development in Xinjiang in the last 4 years of the Seventh 5-Year Plan and strategic focus for economic and social development in Xinjiang.

Ma Hong, director-general of the Economic, Technological, and Social Development Research Center under the State Council; Lu Dong, minister of the State Economic Commission; Xu Qing, vice minister of the State Planning Commission; Yu Guangyuan, member of the Central Advisory Commission; and leaders and specialists from the Ministry of Geology and Mineral Resources, the Civil Aviation Administration of China, the Rural Development Research Center under the State Council, and the China People's University delivered speeches and written speeches.

(Wu Shuyang), advisor to the Economic, Technological, and Social Development Research Center under the State Council, presided over this afternoon's session.

The symposium will last 3 days.

Veterans Hail Forum

HK100941 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 6 Nov 86

[Text] Wang Zhen, vice chairman of the Central Advisory Commission, and Wang Enmao, vice chairman of the national CPPCC Committee and chairman of the regional Advisory Commission, this morning sent a congratulatory cable from Guangzhou to the symposium on strategies for economic and social development in Xinjiang that is being held in Beijing and wished the symposium success.

The cable reads: We are very glad to learn about the opening of the symposium on strategies for economic and social development in Xinjiang. We hereby extend warm congratulations to the symposium and convey our sincere regards to the participants.

It reads: Xinjiang's modernization is of great significance to the four modernizations of the PRC and to the strengthening of national defense of our country. We believe that while studying and discussing strategies for economic and social development in Xinjiang, the attending specialists and scholars will, under the guidance of the four basic principles, further implement the correct policy of opening up to the outside world and enlivening the domestic economy; contribute their new knowledge and technology and their wisdom for further opening up a new situation in Xinjiang's socialist modernization drive, for further strengthening unity, and for protracted peace, stability, prosperity in the border areas; and fight for building Xinjiang into one of the most important economic and strategic bases for China in the 21st Century.

Ma Hong Addresses Forum

HK120645 Urumqi Xinhiang Regional Service in Mandarin 1300 GMT 7 Nov 86

[Text] Ma Hong, director general of the Economic, Technological, and Social Development Research Center under the State Council spoke yesterday at the symposium on the strategies for Xinjiang's economic and social development in Beijing. He advanced the following views:

1. Step up the work of investigating, researching, and proving the resource potential. He said: This work is a fundamental task for the large-scale development and building of Xinjiang. Only by having a clear idea on the resource potential can we make scientific policy decisions regarding a rational scale for the economy and population and a corresponding production policy.

2. Select a rational production structure and formulate correct policies for it. Ma Hong said: Selecting a rational production structure is an important macroeconomic policy decision for taking advantage of Xinjiang's strong points and improving economic results. By formulating correct policies on production we can avoid major deviations.

3. Vigorously step up infrastructural construction. Ma Hong pointed out: Stepping up the construction of communications and telecommunications, especially of arterial infrastural facilities, is the basic condition for the large-scale development and construction of Xinjiang.

4. Vigorously develop the commodity economy, increase accumulation, and improve the people's material and cultural living standards.

5. It is essential to have corresponding policies for stepping up the training and assignment of talented people.

Ma Hong also put forward two issues requiring special attention: 1) Strengthen East-West cooperation and joint efforts and speed up the pace of opening up to the world. He pointed out: Strengthening extensive cooperation and joint undertakings of various types with east China is an important strategic measure for speeding up Xinjiang's economic development and narrowing the discrepancies between east and west China. Xinjiang must also take full advanrage of the favorable conditions for exchanges with the world provided by its western and northern borders and promote all-round opening up. This is one of the ways for solving the problems of a lack of capital and talent and the backward level of science, technology, and management in Xinjiang. 2) Improve the level of scientific policymaking regarding investment. The shortage of capital and materials is a very great constraining factor on speeding up Xinjiang's development and construction. We must therefore seriously study how to make use of the limited finances and materials to gain still better results from investment, eliminate blindness in investment policy-making, and improve the level of scientific policy-making regarding investment.

Forum Concludes 8 Nov

HK120647 Urumqi Xinjiang Regional Services in Mandarin 1300 GMT 8 Nov 86

[Excerpts] The symposium on strategies for Xinjiang's economic and social development concluded in Beijing today after 3 days in session. [passage omitted]

Well-known economists including 82 year-old Xue Muqiao and Ma Hong, Yu Guangyuan, and Tong Dalin enthusiastically attended the meeting and spoke on various topics. Fei Xiaotong, the well-known social scientist and vice chairman of the CPPCC, specially phoned from Yueyang City to congratulate the meeting on its success. [passage omitted]

The experts held: Xinjiang is an area extremely rich in resources. In the long term, the way out for Xinjiang lies in all-round exploitation of its rich surface and underground resources. However, during the Seventh 5-Year Plan and for even longer than that, the state will be unable to invest in a big way in the exploitation of Xinjiang's underground resources. In view of this, it is essential to face reality and use to maximum advantage the strong points in surface resources. The region should vigorously develop agriculture and animal husbandry and light, textile, and foodstuff industries using agricultural and animal husbandry products as raw materials. These industries should be regarded as the leading sectors stimulating the development of the region's entire economy. It is also necessary to step up the prospecting of underground resources and to effectively exploit and use such resources that have already been proven, in preparation for all-round exploitation.

The experts held: To bring about a big development of Xinjiang's commodity economy and to prepare for building the region into one of China's most important bases fo economic construction in the 21st century, it is essential to step up comprehensive studies of the five big constraining factors in the region -- water conservancy, markets, communications, capital, and talent -- and strive to solve the problems in these respects. Many of the experts advanced positive views and suggestions on these matters.

The experts held extensive discussions on various important issues affecting Xinjiang's economic and social development, such as carrying out all-round reform, developing agricuture, animal husbandry, and the light, textile, and foodstuff industries, speeding up prospecting of mineral resources, stepping up urban planning and construction, building the northern Xinjiang railroad as quickly as possible, opening the second great land bridge between Europe and Asia, instituting all-round opening up, developing tourism, and accumulating capital.

At the closing ceremony, Song Hanliang and Tomur Dawamat respectively represented the regional party committee and government in thanking the leaders and experts from the Central Committee and State Council for their concern and assistance for Xinjiang. [passage omitted]

BRIEFS

XINJIANG INDUSTRIAL OUTPUT-- Output value of Xinjiang's industry in October reached 737 million yuan, a record. The value showed an increase of 9.35 percent over September and a rise of 23.07 percent over October last year. Output value of light industry was 388 million yuan, an increase of 25.57 percent over September. Output value of heavy industry was 349 million yuan, a drop of 4.38 percent compared with September. Output value of enterprises owned by the whole people was 628 million yuan, while that of collective enterprises was 104 million yuan. These figures showed respective increases of 8.09 percent and 18.18 percent over September. [Summary] [Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 7 Nov 86 HK]

XINHUA NOTES FORMATION OF NEW POLITICAL PARTY

OW091349 Beijing XINHUA Domestic Service in Chinese 0755 GMT 8 Nov 86

[Text] Hong Kong, 8 Nov (XINHUA) -- Taiwan's "Democratic Progressive Party" released a draft of its "party charter and platform" at a press conference in Taiwan on 6 November.

The "Democratic Progressive Party" was inaugurated by some non-Kuomintang personages at a press conference on 28 September. At that time, they did not release the party charter and platform. Since 1949, the "martial law" enforced in Taiwan has banned the formation of new political parties. Currently the "martial law" is officially in force. Therefore, the "Democratic Progressive Party" is still illegal in Taiwan.

According to the released draft, worked out by the "Democratic Progressive Party" over the past month or so, the "party charter" consists of a total of 9 chapters and 33 articles, and the "party platform," divided into guiding principles for basic issues and a program for concrete action on the current Taiwan issue, has a total of 139 articles. The "party platform" declares that the "future of Taiwan should be decided by all people living in Taiwan." Taiwan's newspapers regard this as a manifestation of the party's "separationist consciousness in its bone marrow."

According to reports, the party's "platform" also attacks Taiwan's Kuomintang authorities for its ban on direct trade with the mainland and other policies, adding that the "two sides of the Taiwan Strait should engage in peaceful competition on an equal basis."

NANJING RADIO BEGINS TAIWAN SERVICE 12 NOV

OW121938 Beijing XINHUA in English 1550 GMT 12 Nov 86

[Text] Nanjing, November 12 (XINHUA) -- The "Voice of Jinling" in Nanjing officially gave its first service for Taiwan compatriots today.

Nanjing, now capital of Jiangsu Province, was the center of the Kuomintang rule before national liberation in 1949.

This is the mainland's first local radio offering special services for Taiwan compatriots, a radio official said.

The short-wave radio operates from 19:55 to 24:00 every day, and can be received at 4875 KHZ.

In addition to news about the mainland -- about Jiangsu and other east China provinces in particularly -- it informs Taiwan compatriots about their relatives on the mainland, the official said.

Compatriots in Hong Kong, Macao and Southeast Asian countries can also receive the radio's news.

EXPORT TRADE, DOMESTIC INVESTMENT INCREASE

OW081415 Taipei CHINA POST in English 3 Nov 86 p 12

[Text] Not only are trade and industrial production on the rise, businessmen have increased domestic investment. The Ministry of Economic Affairs (MOEA) made this statement yesterday after releasing the latest economic figures. The ministry stressed that all indicators show healthy economic prospects.

In September, exports reached U.S.$3.4 billion, up by 36.56 percent from the same month last year. Imports totaled U.S.$2.3 billion for an increase of 36.87 percent. Total trade for the first three quarters of the year reached U.S.$45.9 billion, up 20.8 percent from the same period last year. Imports for the first nine months hit U.S.$17.37 billion, up 15.3 percent from last year, while exports were at U.S.$28.42 billion -- a 24.3 percent increase.

Industrial production also grew in September by 17.14 percent, compared with the same month last year, despite the effects of Typhoon Abby. Capital equipment imports for the month amounted to U.S.$530 million with the annual rate of increase reaching 62.1 percent. Plant capacity has been 80 percent employed in the last six months.

The local currency traded at NT$36.72 to the U.S. dollar at the end of September, appreciating moderately by 6 percent from August.

Meanwhile, U.S. Officials announced that the U.S. GNP for the first three quarters of this year grew at a 2.4 percent rate. Local officials are optimistic that moderate U.S. growth will be beneficial to the ROC [Republic of China]. The MOEA was bullish about the economy but warned once more of the increasing money supply.

The Central Bank recently noted that the money supply is at a 13-year peak. The annual growth rate, reaching 39.9 percent at the end of October, has caused fears of inflation.

FOREIGN INVESTMENT DECREASES DURING JAN-OCT

OW111443 Taipei CNA in English 0940 GMT 11 Nov 86

[Text] Taipei, Nov. 11 (CNA) -- Foreign and Overseas Chinese investment approvals in the Republic of China on Taiwan amounted to U.S.$434.29 million in the January-October period this year, down 14.6 percent from the same period of last year, according to statistics compiled by the Investment Commission of the Ministry of Economic Affairs.

The statistics also reveal that Overseas Chinese investment reached U.S.$57.452 million, up 81.64 percent over the same period of last year, while foreign investment totaled U.S.$376.838 million, down 20.98 percent compared with the same last year period.

The main industries for overseas investment were: electronic and electric appliance industries (31.46 percent); machinery and instrument industries (21.24 percent); transportation industry (10.64 percent); basic metal industry (9.74 percent); service industry ([figure indistinct] percent); chemical industry (7.31 percent).

If Overseas Chinese investments are divided geographically, there were 28 investments amounting to U.S. $10 million from Hong Kong, 9 worth U.S. $8 million from the U.S., 2 from Japan totaling U.S. $1.07 million, 6 hitting U.S. $1.054 million from Singapore, and 14 worth U.S. $37 million from other countries.

Regarding non-Chinese foreign investments, 47 totaling U.S. $90 million came from the U.S., 17 amounting to U.S. $39 million from Europe, U.S. $17.2 million in investments from Japan, U.S. $17 million from Hong Kong and U.S. $57 million from other countries.

TAIWAN-AUSTRALIA TRADE CONFERENCE ENDS

OW071125 Taipei CNA in English 0949 GMT 7 Nov 86

[Text] Sydney, Nov. 7 (CNA) -- The 2d joint conference of the Republic of China [ROC] and Australian trade associations concluded in Sydney Thursday. The conference, co-chaired by Sir Charles Court and Dr C.F. Ku, was attended by over 150 delegates representing a wide cross-section of commerce and industry in the ROC and Australia. The conference reviewed the progress of the two associations in strengthening trade, investment, tourism and technology links between the two countries. The associations were recognized as a vital link between Australia and the Republic of China.

In his opening remarks, Sir Charles Court said there was a strong commercial base beneath Australia's relations with Taiwan, reflected by the complimentary nature of the trade. He warned, however, that the delicate balance of this trade could be placed in jeopardy if trade discrimination occurred on noncommercial grounds. Sir Charles pointed out the two associations were firmly rooted in private enterprise and could take practical steps to maintain the favorable trading environment between Australia and Taiwan.

Dr Ku said that the two countries could become a regional force for economic growth. He said the Taiwan delegation was in Australia to do business and seek opportunities for joint ventures. Recently, Taiwan has taken decisive steps towards liberalization and internationalization. For instance, the government has reduced tariff rates, relaxed foreign exchange control, encouraged imports and offshore investments to dissipate the country's large foreign exchange reserves.

The conference recognized that the ROC has changed from a capital importer to an important capital exporter. The conference also made a critical study of the Australian and ROC economies.

BRIEFS

TREATY DEPARTMENT DIRECTOR NAMED -- Taipei, Oct. 22 (CNA) -- The Executive Yuan Wednesday approved the promotion of Foreign Ministry Senior Secretary Chang Teh-hui to director of the ministry's Department of Treaty and Legal Affairs. Chang, 57, a native of Anhui Province, is a graduate of the Law Department of National Taiwan University. He has served as first secretary of the ROC [Republic of China] Embassy in Australia, political counselor of the ROC Embassy in Colombia, director of the ROC's Far East Trade Office in Colombia and senior secretary of the ministry. Chang is to succeed Stephen Chen, who had been appointed director of the ministry's International Affairs Department earlier this year. Chen replaced Chuan-li Huang, who has assumed the post as ROC ambassador to Honduras. [Text] [Taipei CNA in English 0238 GMT 23 Oct 86 OW]

HONG KONG

EDITORIAL VIEWS EFFECTS OF U.S. ELECTIONS

HK070728 Hong Kong HONGKONG STANDARD in English 7 Nov 86 p 6

[Editorial: "Battle Stations in Wake of U.S. Elections"]

[Text] Hong Kong's lobbyists in Washington have a daunting task before them in the wake of the Congressional elections results. Mr Ronald Reagan's Republican Party has lost its majority in the Senate, giving the Democrats control of both houses.

A repeat of the Jenkins Bill, successfully vetoed by Mr Reagan two months ago, can be expected soon. And this time it's going to be a tougher fight for our lobbyists because the elections results have strengthened the protectionist voices in both parties.

The prospect of an eventual 30 percent cutback in textile exports to the United States is real. The protectionist lobby wants imports from Hong Kong frozen at last year's levels for the next three years. While the threat is more serious this time, it is by no means lost. Voting on the Jenkins Bill was not exactly a partisan affair. The Republicans lost control of the Senate by a mere two seats. The two houses failed to override Mr Reagan's veto by a close margin, but it wasn't that close.

There are Democrats and Republicans who understand the realities of international trade and who are only too well aware that the American textile industry is one of the country's most protected ones.

Mr Reagan sought to make the elections a referendum on his defence and foreign policies. The American electorate decided otherwise, being more concerned about their pockets and their jobs.

This is the way of the mid-term polls. But with this victory Democratic Senator Robert Byrd has vowed to push through a bill to protect American jobs, meaning more protection to the domestic textile industry. So we need to gird ourselves for a battle that will get tougher, more ruthless by the day.

A frontal attack against the protectionists will be extremely tough and we are not likely to come off any better. We might be better off concentrating more effort on American exporters in general.

This American voice was silenced by the rising dollar. That has since changed. We need to impress upon them the need to speak out now. American exporters need to tell their textile industry and their politicians hell-bent on protectionism that restrictions on us will hurt them, too.

We need to impress upon these American exporters, as we did before, that manufacturers operating in glass-houses should not be throwing stones at others. And there is no doubt that the American textile industry is highly protected and, therefore, operating in glass-houses.

American textile manufacturers are far too myopic to understand that anything like the Jenkins Bill will trigger off retaliation in non-textile areas. It will then not be a matter of spreading the job-loss around, but increasing it all round and, perhaps, involving all of us in a global trade war.

At the same time we need to join with others to impress upon the Japanese that they must really open up their markets, not just pay lip service to the ideals of free trade. Because it is Japan and its market, subtly closed by a welter of red-tape, that so much of American anger is aimed at.

Ours is a free market. One of the few genuinely free ones left in the world. The Americans have as much access as any other country. We should not be made to pay the same price.

Joining hands with others to work on Japan and, to a lesser extent on Taiwan and South Korea, will help convince the American protectionists that we are serious about promoting free trade.

We should also ask if our lobbyists are the best we can get? Our influence in Washington is limited, both by experience and funds. It is all the more important that our money is spent wisely and on the best available. We ought to consider spending more on this campaign.

It is in our long term interests to convince all Americans that ours is really a free market. American access is only limited by its own industry's inefficiency.

And we must drum into the minds of American exporters that this policy of free access can be changed. We, too, can cut back imports from the United States.

In the final analysis, we ought also to be exploring other markets; casting a wider net to cushion any cutback that we may have to make next year.

For this a greater promotional effort and, certainly, making more funds available, will be necessary. In the longer term, it might be necessary to push harder and faster for diversification so that we need not rely so much on textiles.

This is not so difficult as it appears, given the adaptibility of our entrepreneurs and our workers. We only need a greater tenacity of purpose.

REPORT NOTES INCREASED PROTECTIONISM FEARS

HK060931 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 6 Nov 86 pp 1, 10

[By Michael Marray]

[Text] Gains by the Democrats in the U.S. mid-term elections came as unwelcome news to Hong Kong manufacturers and exporters, who see a threat to the Reagan administration's strong commitment to fight protectionist legislation in America.

Having spent a large part of the past year in the shadow of the Jenkins Bill, which was only narrowly defeated after a campaign to override President Reagan's veto, Hong Kong exporters face the prospect of fresh protectionist legislation getting through a Congress with a weakened Republican hold.

"The reaction in Hong Kong is reflected in the downturn in the stock market," Mr Lawrence Mills, director-general of the Federation of Hong Kong Industries, said yesterday.

"It is an indication of the concern felt in the manufacturing industry and among exporters that this signals increased protectionism in the U.S."

Mr Mills said the Democrats had partly been elected on the basis of their promises to take action against what they termed unfair trade. And the Republicans, with an eye on the 1988 presidential elections, might not be quite so vigorous now in opposing protectionist sentiment. "We are a bit vulnerable as a result."

Mr Mills pointed to the estimated 300 pieces of trade legislation currently floating around Congress, including the Omnibus Trade Bill, any of which could go through during the next term.

"The effect on Hong Kong could be quite serious," he said.

Hong Kong had to continue underlining the message that it did not indulge in some of the restrictive trade practices adopted by some other Asian countries that had drawn the attention of the U.S. protectionist lobby.

"We must keep hammering the point home that we have no restraints on imports," Mr Mills said.

The piece of protectionist legislation that caused most anguish in Hong Kong during the past 12 months was the Jenkins Bill, which sought stricter limits on textile imports into the U.S.

With the twin problems of unemployment and the ballooning U.S. trade deficit bringing trade issues increasingly to the fore in national politics, the Jenkins Bill soon became a rallying point for protectionists.

The bill, passed by the House of Representatives last October, was stalled by an 11th-hour veto by Mr Reagan in late December.

Its sponsors then campaigned to have the veto overridden by Congress, a move needing a two-thirds majority in both the House and Senate.

In the August vote, the bill only just failed to get the necessary support to overturn the veto. The tally in the Democrat-controlled House was 276 votes to 149.

"The President has a lot of chips," Democratic Representative Ed Jenkins commented at the time, "and he had to play them all."

Hong Kong's fear is that with this latest swing towards the Democrats, Mr Reagan may find himself short of a few vital votes when trying to veto any future protectionist legislation.

However, in states where textile imports are a burning issue, the veto vote did not break down strictly along party lines. Some ousted Republicans probably fought the Jenkins Bill veto just as vigorously as their Democratic replacements will contest any presidential veto in future.

Much now depends on whether the Republicans will fight so strongly in future for free trade, having seen the apparent vote-winning appeals of the more protectionist stance of their Democratic rivals.

FOREIGNERS' FUTURE IN CIVIL SERVICE QUESTIONED

HK130331 Hong Kong SOUTH CHINA MORNING POST in English 13 Nov 86 p 1, 2

[By Michael Chugani]

[Text] Sensitive talks are expected to begin soon between senior Hong Kong and Chinese officials on who under China's nationality laws will qualify to take up future top jobs in the civil service.

At stake are the career prospects of a growing number of local civil servants who are either non-Chinese or who are ethnic Chinese but hold foreign passports.

It is understood the Hong Kong Government is anxious to remove the uncertainty surrounding this group of people by reaching an understanding with China over who are qualified under nationality laws to occupy the top jobs and who should be excluded.

The SOUTH CHINA MORNING POST understands senior administration officials feels a ruling will be needed soon to enable proper manpower planning affecting the senior ranks of the civil service.

Otherwise promising career civil servants who are selected to be groomed for senior posts may eventually turn out to be ineligible under the Sino-British agreement to occupy top jobs in the civil service.

That would create a problem in finding suitable candidates to fill the top jobs at short notice.

The 1997 agreement covering Hong Kong's future makes clear that foreigners are barred from heading major government departments or from secretarial rank. The agreement further states that foreigners will not be allowed even to become deputy heads of some departments.

While this means expatriates will not be allowed to head major government departments after 1997, it puts into question the fate of locally-recruited non-Chinese Hong Kong belongers [a person who has resided in Hong Kong at least 7 years] as well as ethnic Chinese Hong Kong belongers who have acquired foreign passports.

The Hong Kong Government will need to know soon whether China's interpretation of the 1997 agreement classifies these people as locals or as foreigners not eligible to assume top jobs.

It is thought many dozens of civil servants could be affected, especially since large numbers of local Chinese, jittery over 1997, have been securing foreign passports and then returning to Hong Kong, some to join the civil service.

There are also a number of locally-born Indians, Eurasians, Portuguese, and Pakistanis in the government whose career prospects are unclear.

They include the Secretary for Transport, Mr Harnam Grewal, the Deputy Secretary for the Civil Service, Mr Haider Barma, and the Commissioner for the Hong Kong Export Credit Insurance Corporation, Mr T.H. Barma.

It is understood that while dialogue with the Chinese has yet to start, Hong Kong officials feel the matter will have to be addressed soon.

Certain aspects of the problem are already being tackled in a more general way.

As reported earlier, Hong Kong and Chinese experts have already discussed whether local Chinese holding foreign passports should get the new "right of abode" identity cards which will be issued from July.

POLL INDICATES INCREASED SUPPORT FOR DAYA BAY

HK100921 Hong Kong SOUTH CHINA MORNING POST in English 10 Nov 86 p 1

[Excerpt] In a dramatic swing of opinion, a new poll has found that 44 per cent of Hong Kong people now believe the Daya Bay nuclear plant should go ahead.

Most of those people who now support the plant, however, stipulate that more information about safety should be published.

Despite this swing in the plant's favour, a majority of the people interviewed, 52 per cent, still believe the nuclear plant should not proceed.

Nineteen per cent say it should not be built at all, while 33 per cent say it should be postponed, with a decision on its final fate only to be taken when more information about safety is available.

The poll, conducted on behalf of the SOUTH CHINA MORNING POST by Marketing Decision Research, showed a 10 per cent swing in favour of the plant compared to a similar survey in September.

Thirty-eight per cent of those interviewed in the current survey said the plant should go ahead, but with more safety information made available.

Six per cent, seeing the plant as inevitable because China so clearly wants the facility, said it should be built according to plan, with no need for more safety information.

One of the reasons given by opponents of the plant was that radioactivity was a health hazard and would endanger the next generation.

They also said the plant was unsafe, or was highly explosive and that Hong Kong already had enough electricity.

The opponents were afraid of a Chernobyl-type accident and said it would be difficult to evacuate Hong Kong in an emergency.

The six per cent who were unquivocally in favour of the plant said they were confident there was little chance of accidents and the plant was necessary to "aid prosperity" and to help China's economy. [passage omitted]